

Regional Council



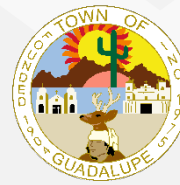
October 25, 2023



ADOT



gilbert



MARICOPA COUNTY

mesa·az



City of Phoenix



Agenda Item 2



■ Pledge of Allegiance



Agenda Item 3

■ Call to the Audience

- An opportunity is provided to members of the public to provide input in person or by written comment to the Regional Council on items that are not on the agenda that are within the jurisdiction of MAG, informational items, or on items on the agenda for discussion but not for action.

Agenda Item 4



- **There are no informational items for this meeting.**

Agenda Item 5

- **Consent Agenda (Items 5A-5J)**

- **Action Requested:**

Approval of Consent Items 5A through 5J, as shown on the agenda.

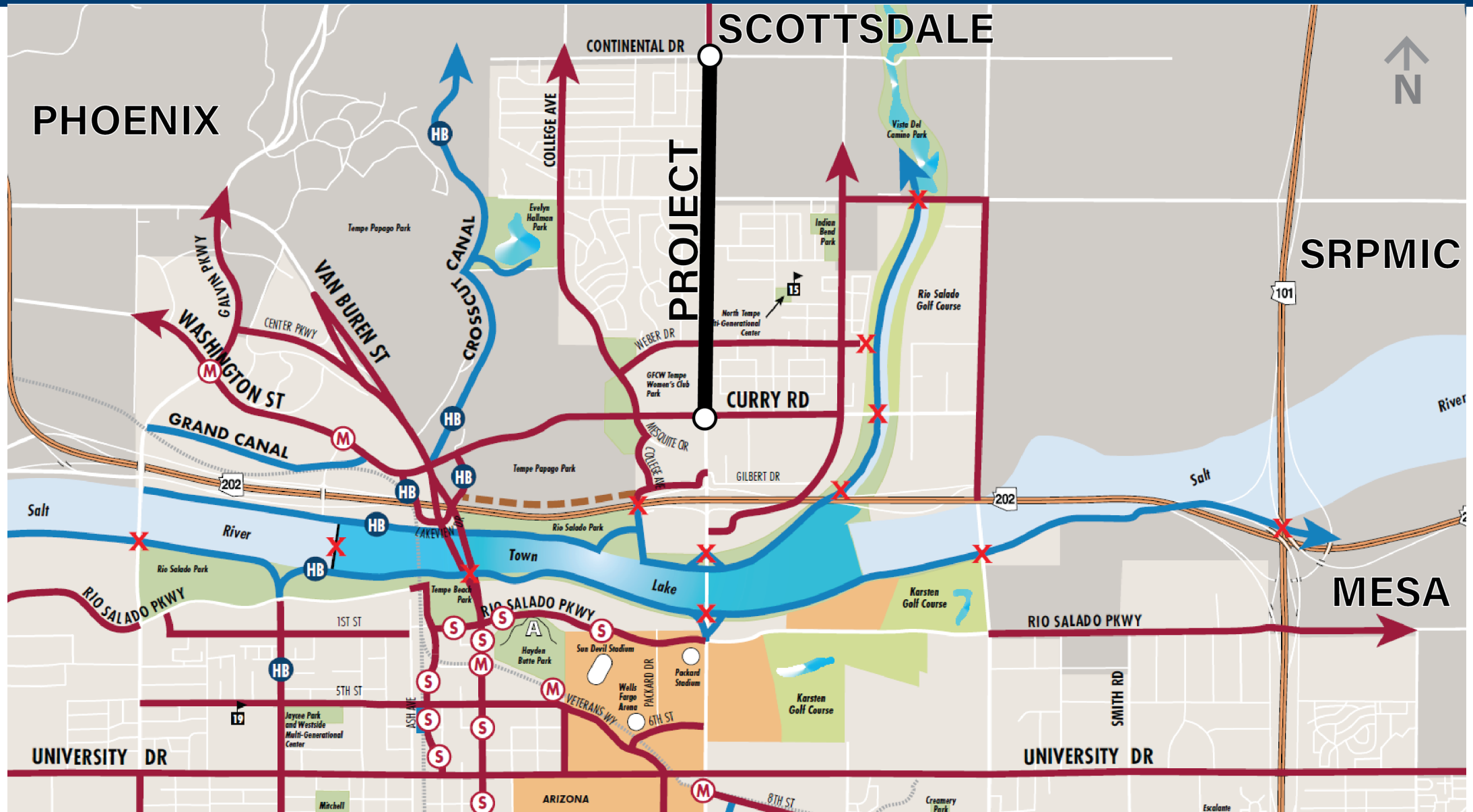
Agenda Item 6

Second Project Deferral Request: City of Tempe – Scottsdale Road Bike Lane Continuation (Curry to Continental)

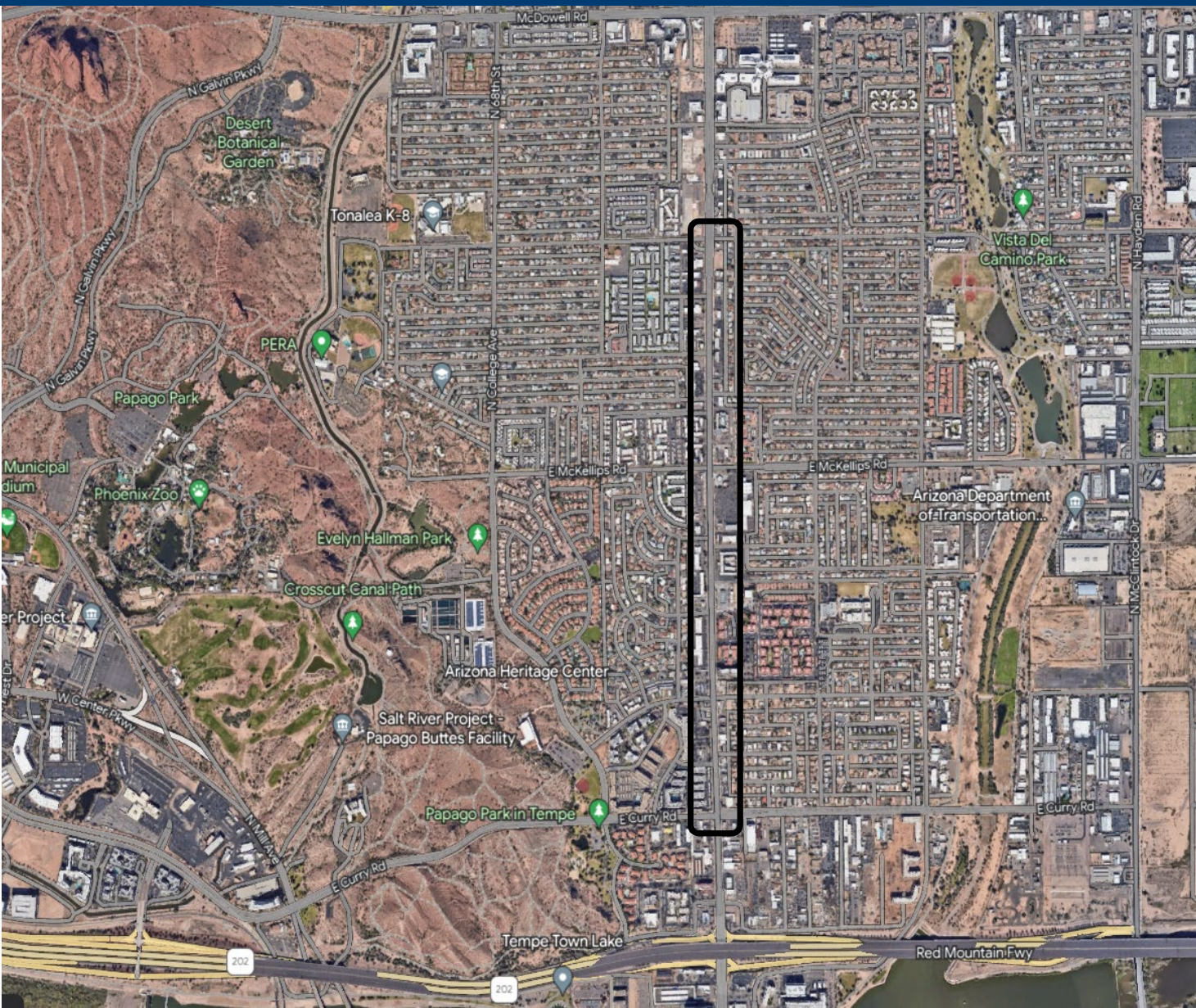
MAG Regional Council
October 25, 2023



Regional Context



Project Scope



1.25 Mile Bike/Ped Improvements

- Protected Bike Lanes
- ADA Directional Ramps
- Driveway Improvements
- Pavement Mill and Overlay
- Landscaping
- Lighting

Project Schedule



- February 2018: Project awarded for FY 2021 construction
- November 2020: Project kick-off
- April 2021: First deferral approved to FY 2023
- **October 2023: Second deferral request to FY 2024**
- March 2024: Project obligation*
- September 2024: Begin Construction*
- June 2025: Open to Traffic*

*contingent on deferral approval



Justification and Commitment



The second deferral is requested to allow time to finalize right-of-way acquisition

City staff is assigned for duration of project

Local match and contingency funding is contained in city's Capital Improvement Program (CIP)



Deferral Request



The City requests approval of the second project deferral request for the City of Tempe – Scottsdale Road Bike Lane Continuation (Curry to Continental) project

**Third Project Deferral Request:
City of Phoenix - Van Buren Street
(7th Street to 24th Street)**

MAG Regional Council

October 25, 2023

Van Buren Street: 7th Street to 24th Street



- Two-mile corridor with pedestrian safety and streetscape improvements
 - ADA compliant sidewalks
 - New HAWK crossings (two-stage) at 15th Street & 23rd Street
 - Pedestrian lighting
 - Pedestrian refuge/median islands
 - Landscaping and shade
 - Re-designed traffic signals

PROJECT SCOPE



HAWK Crossings



Raised Median & Pedestrian Lighting

❖ February 2016	Project awarded for FY 2020 construction
❖ November 2017	Project kick-off
❖ October 2019	First project deferral to FY 2022
❖ February 2022	Second project deferral to FY 2023
❖ October 2023	Third deferral request to FY 2025
❖ February 2025	Project obligation*
❖ Spring/Summer 2025	Construction*

*contingent on deferral approval

NOTE: Current Project Estimate is \$6.6 million

JUSTIFICATION AND COMMITMENT

The third deferral is requested to realign the project schedule to address federal clearances for utilities and right of way based on impacts from the revised scope that was amended due to public concerns.

The city's required local participation is identified and committed in the City's Capital Improvement Program.

City has adequate staffing resources for the completion of the project.

**The City requests approval of the third deferral
request for the City of Phoenix
Van Buren (7th Street to 24th Street) project**

Agenda Item 8



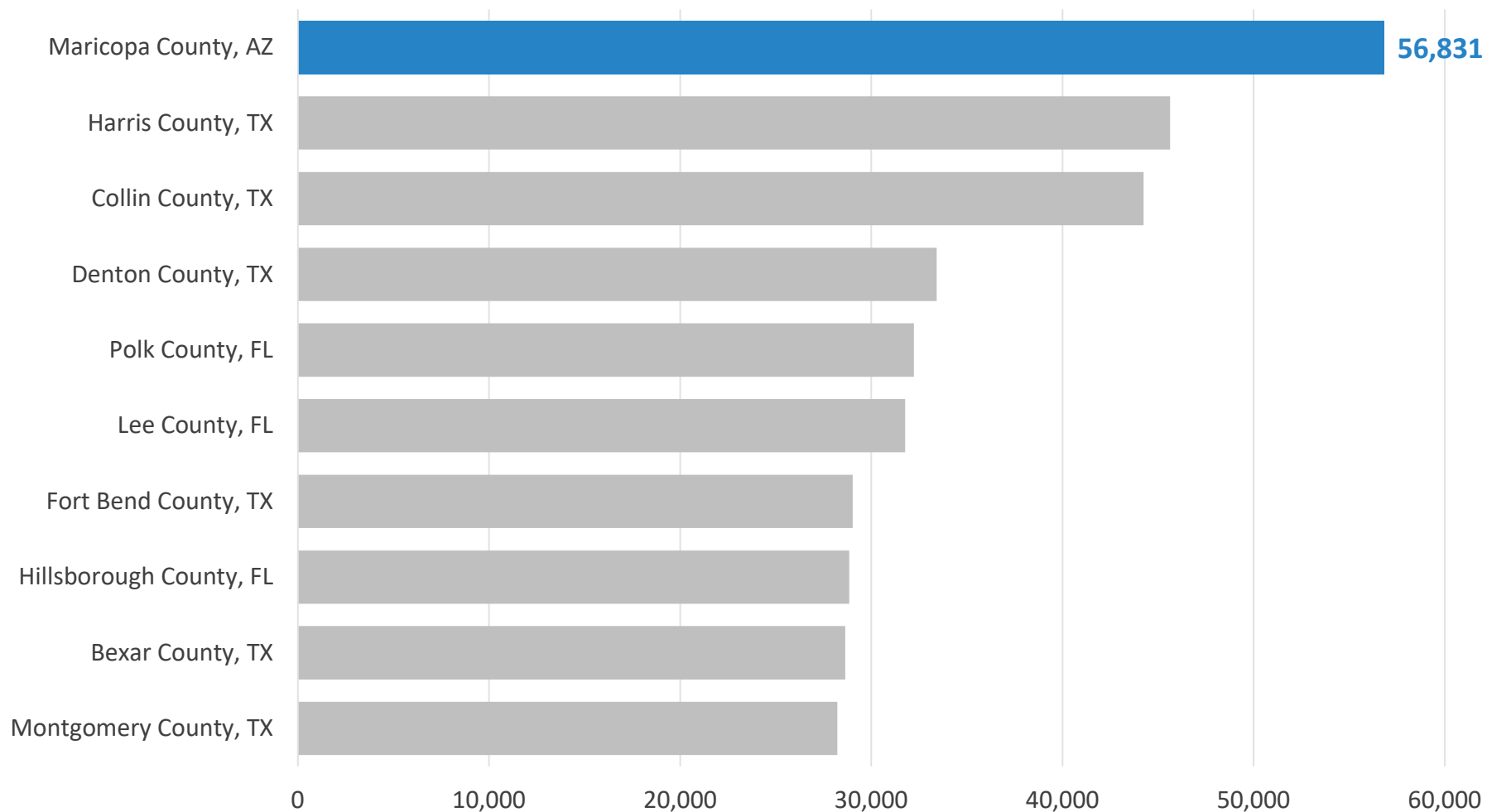
Regional Economic and Housing Trends

MAG Regional Council

October 25, 2023

Maricopa County saw the largest population growth in the nation

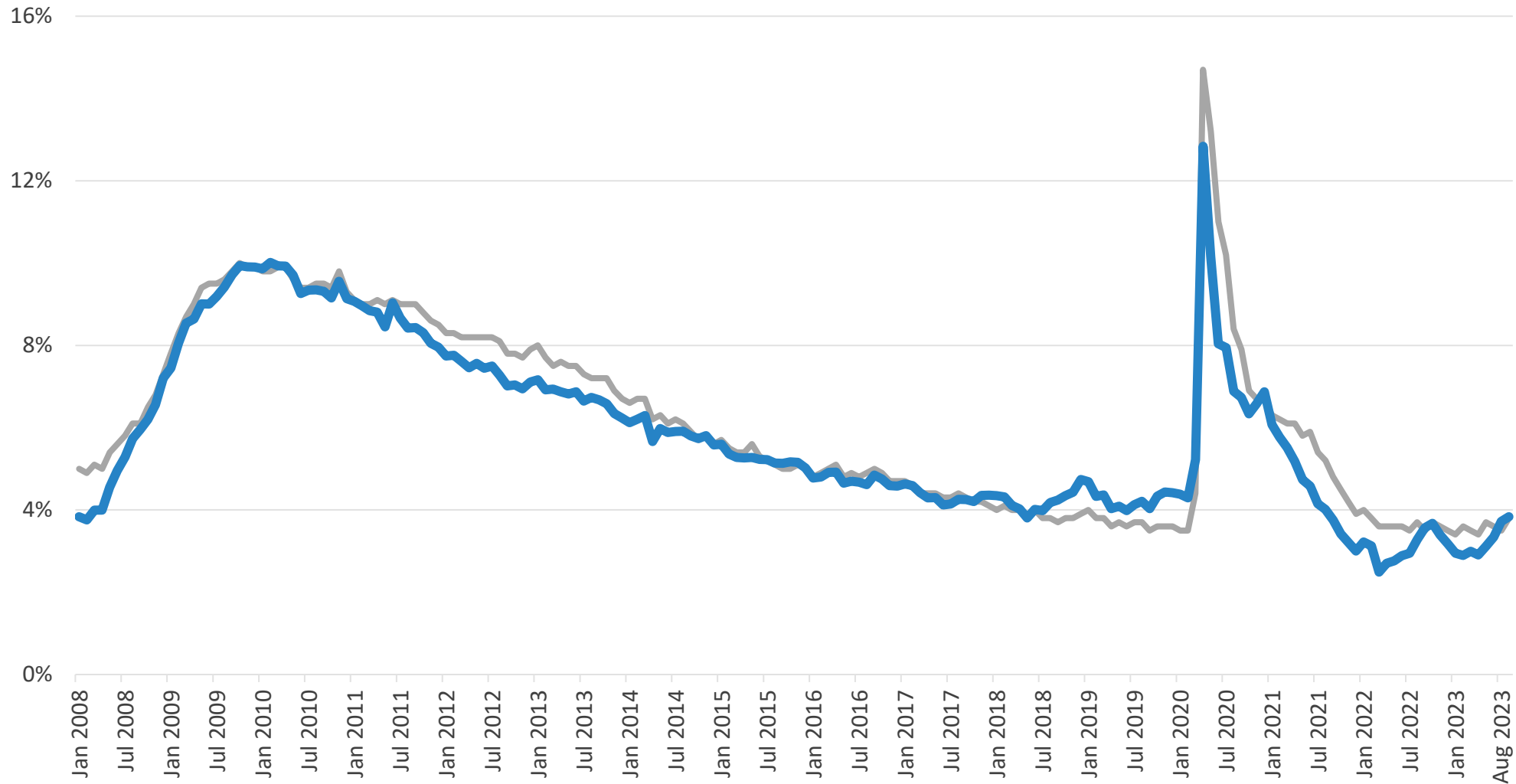
Top 10 Counties in Numeric Growth, 2021 to 2022



Source: U.S. Census Bureau, Vintage 2022 Population Estimates



Unemployment Rate for the **Phoenix MSA** and U.S. is 3.8% (August 2023)

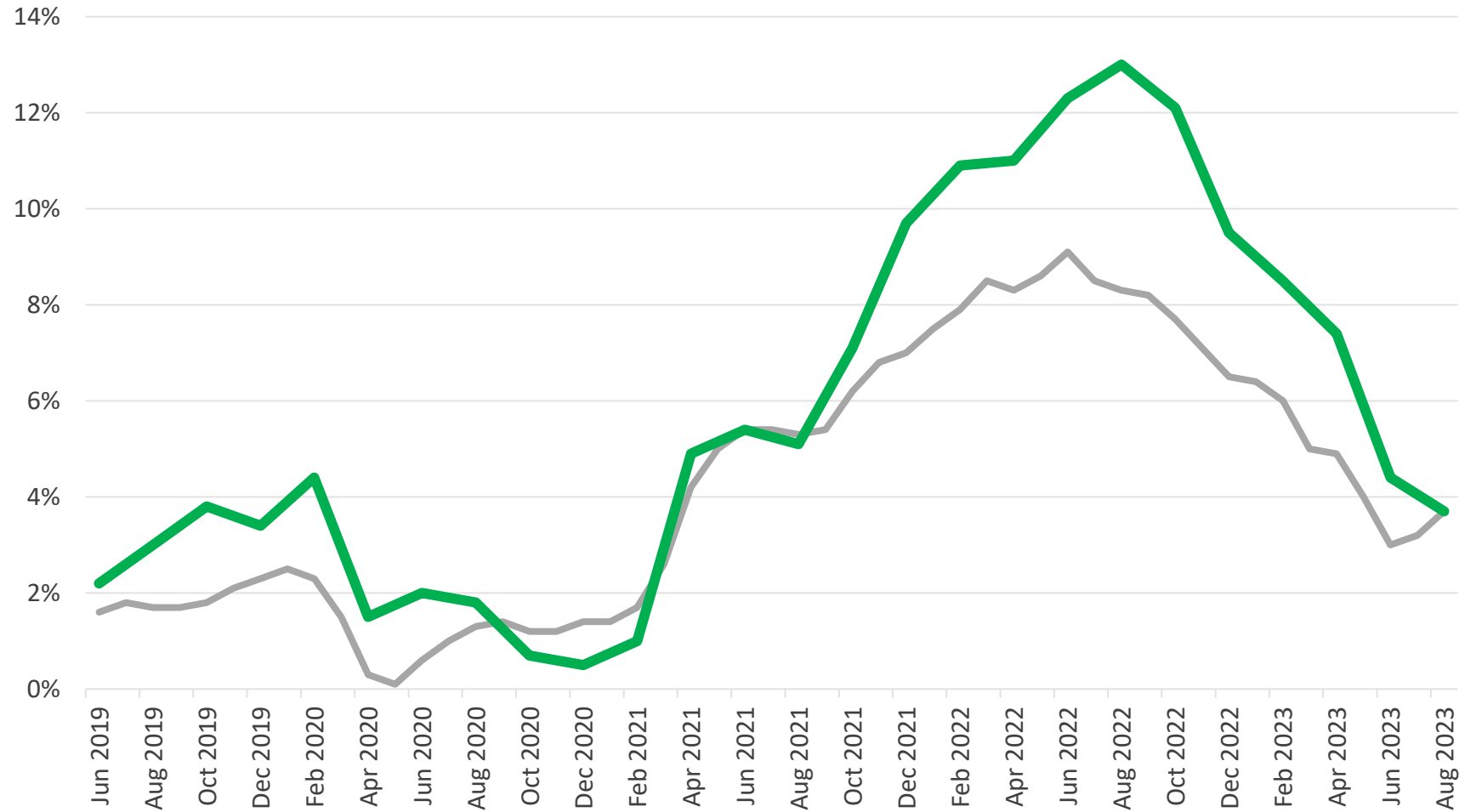


Source: U.S. Bureau of Labor Statistics, Arizona Office of Economic Opportunity, EBRC



Phoenix MSA and U.S. inflation are both at 3.7% (August 2023)

Year-over-Year Percent Change in Consumer Price Index (CPI)



Phoenix MSA Inflation Components:

- Utility piped gas service 16.2%↑
- Cereals and bakery products 10.9%↑
- Rent of primary residence 9.5%↑

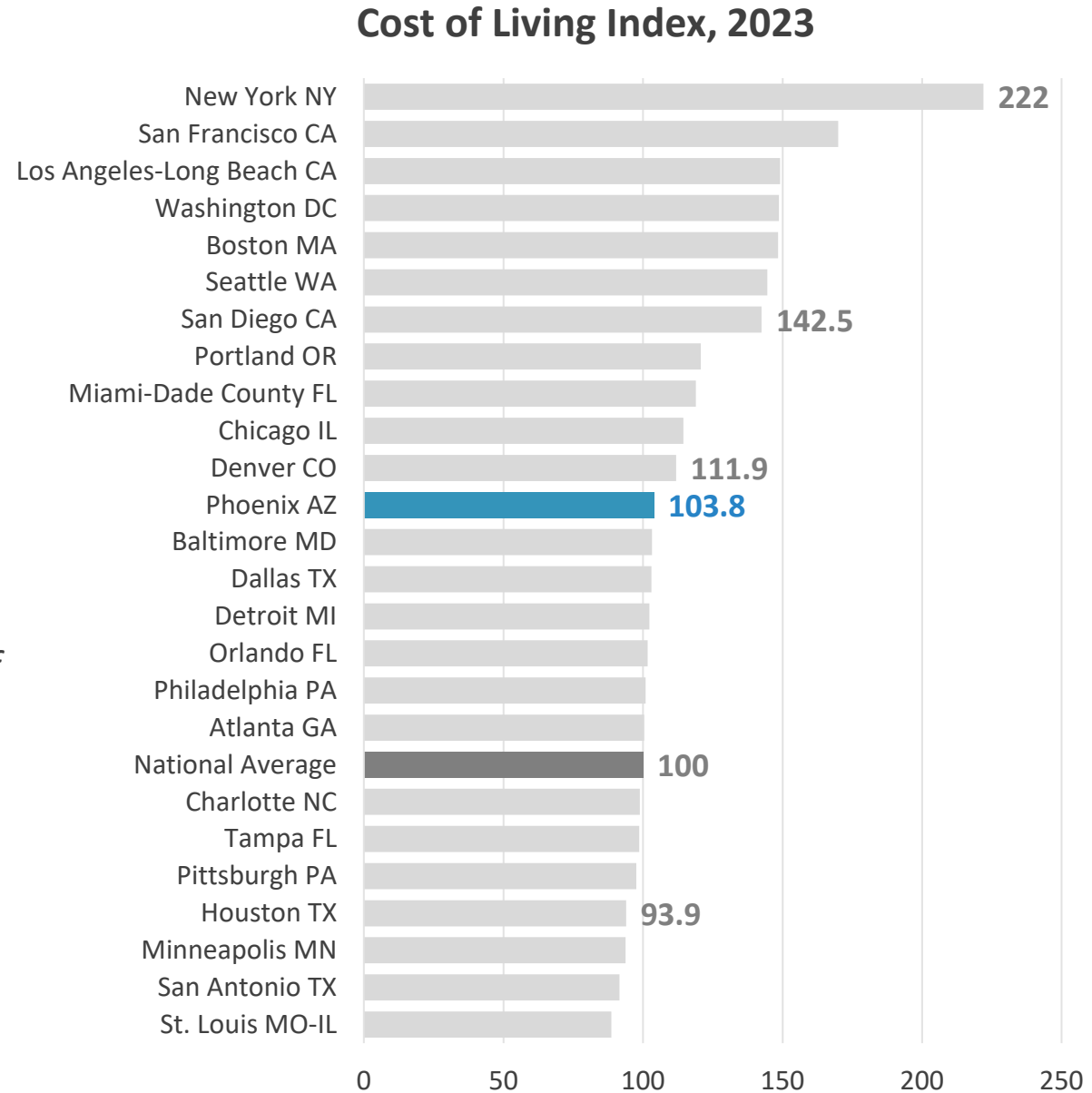
Source: U.S. Bureau of Labor Statistics



Cost of Living

- **Phoenix** is ranked **12th** among the top 25 most populous cities in terms of highest cost of living
- Phoenix was ranked **18th** in 2021

Cost of Living Index is calculated using prices of select goods and services to reflect consumer expenditures, with a base of 100 as the national average cost of living

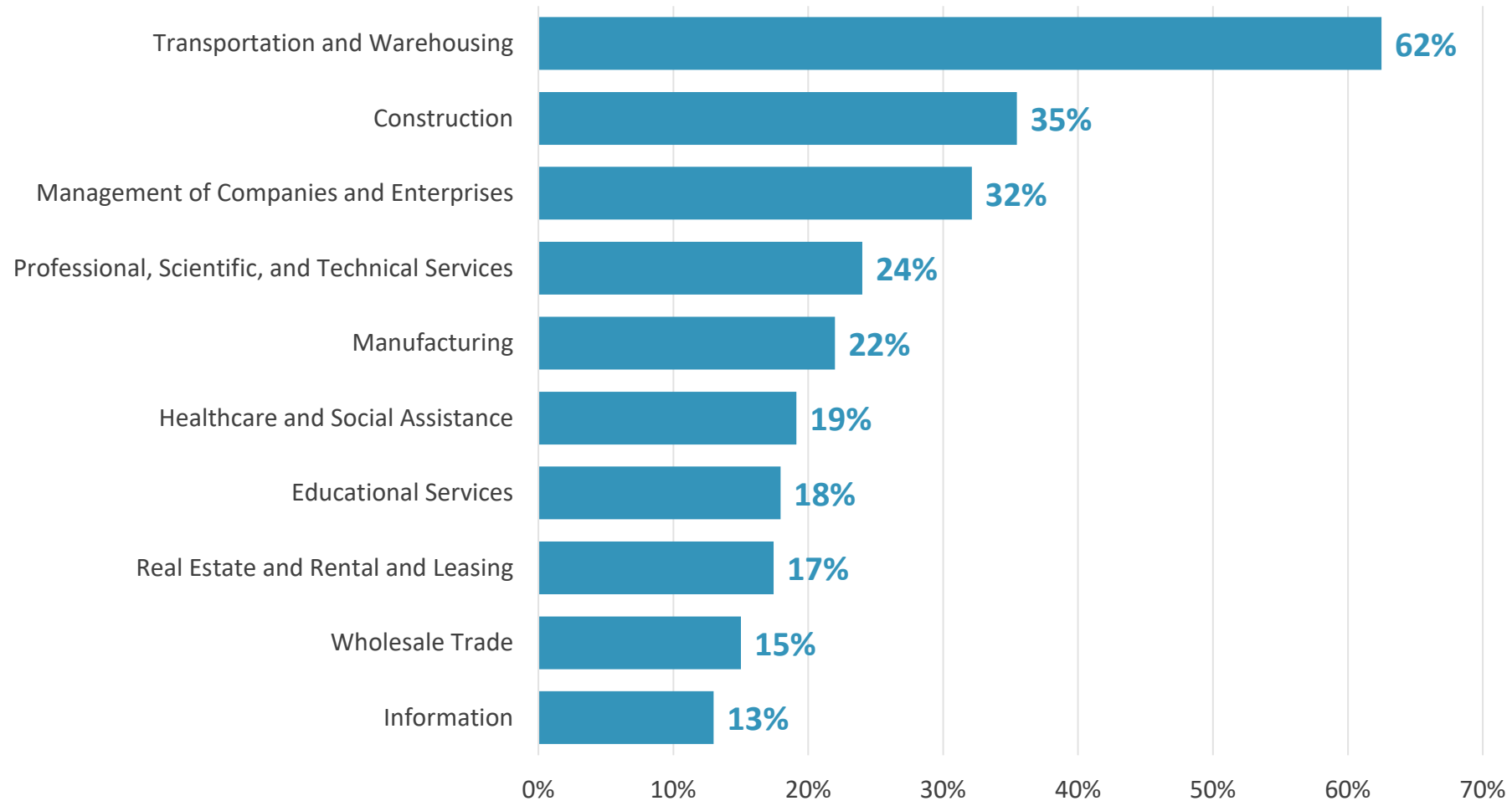


Source: C2ER Cost of Living Index



Phoenix MSA diversifying economy

Top 10 Change in Employment by Industry, 2017-2023



Source: University of Arizona Economic and Business Research Center

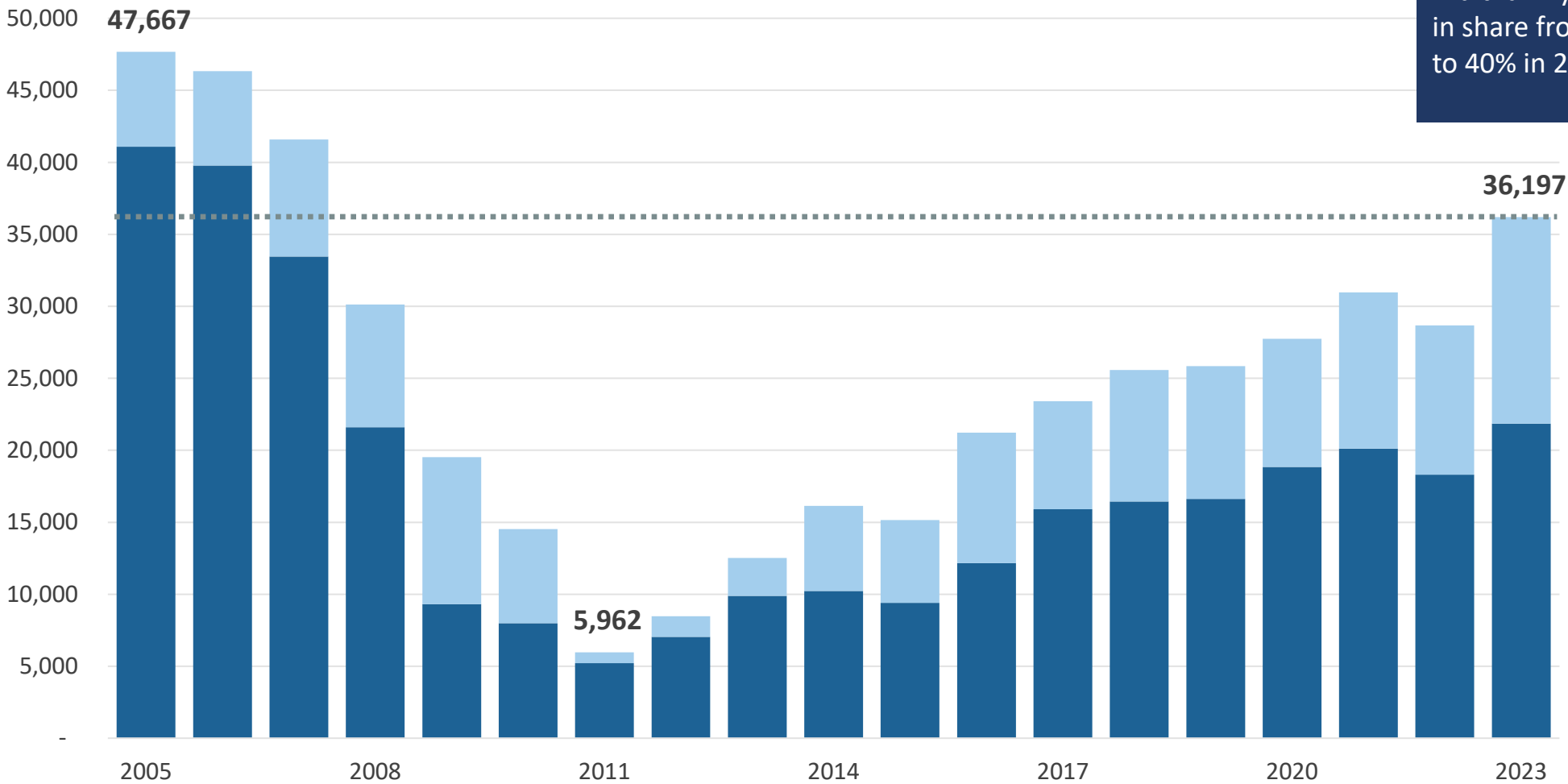


Maricopa County residential completions are reaching pre-recession levels

Residential Completions by Unit Type

Single Family

Multifamily



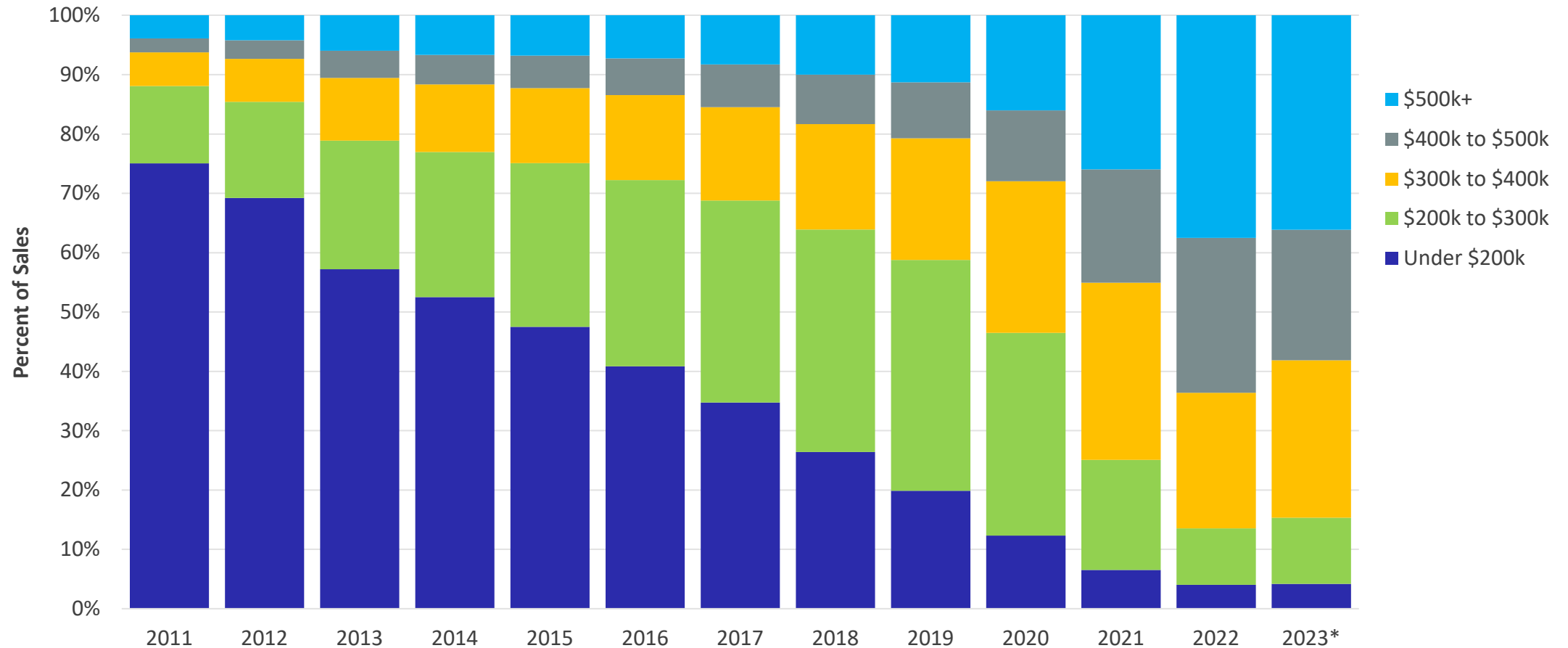
Multifamily has increased in share from 14% in 2005 to 40% in 2023

Source: Maricopa Association of Governments, Residential Completions by Fiscal Year



In the Phoenix MSA, sales transactions under \$300k have decreased 73 percentage points since 2011

Sales Transactions, 2011-2023

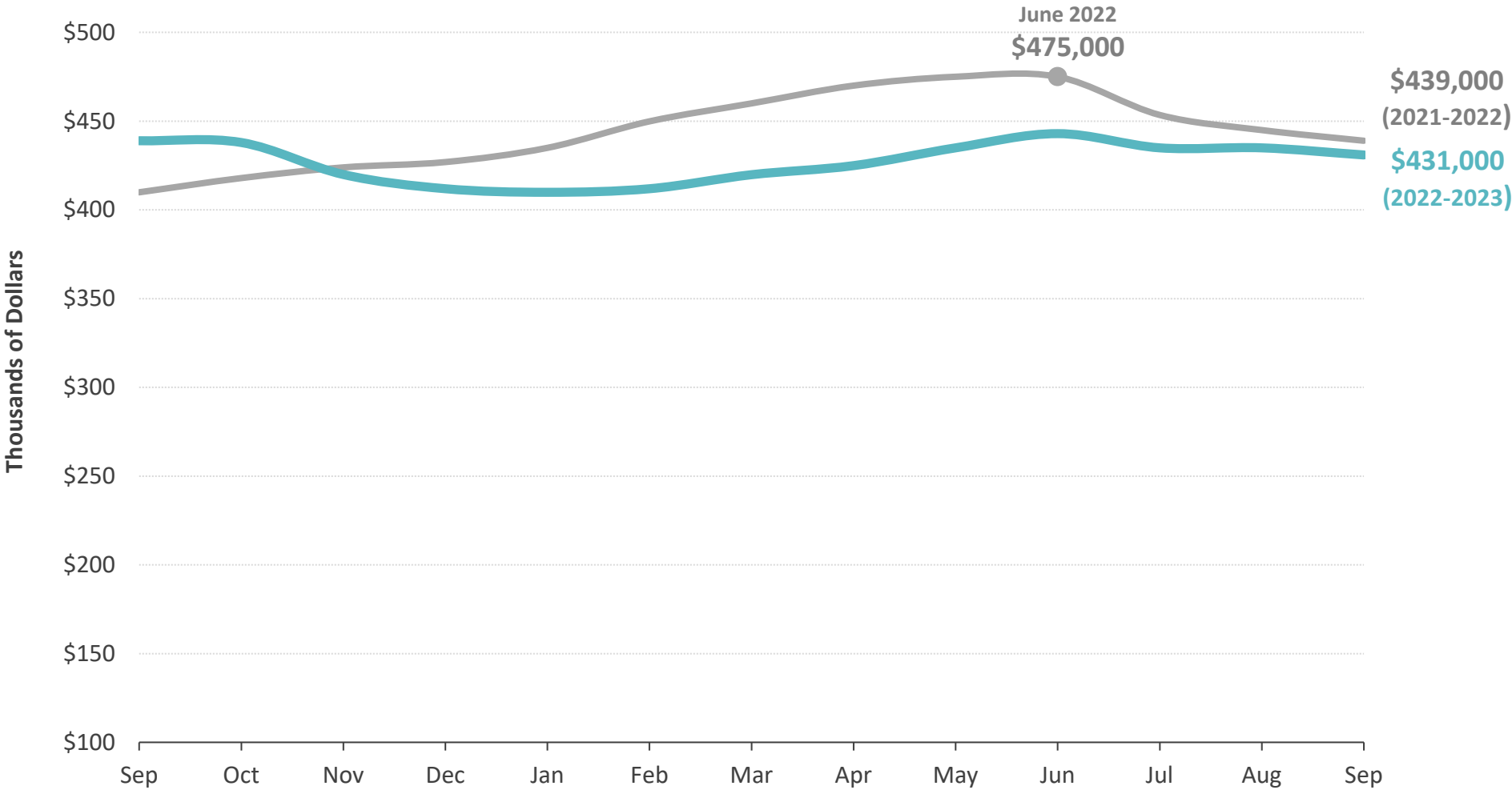


Source: The Information Market
Adjusted for inflation, *2023 data through Q2 only



Phoenix MSA median sale price decreased 9% since the peak (June 2022)

Median sale price is now lower than it was a year earlier

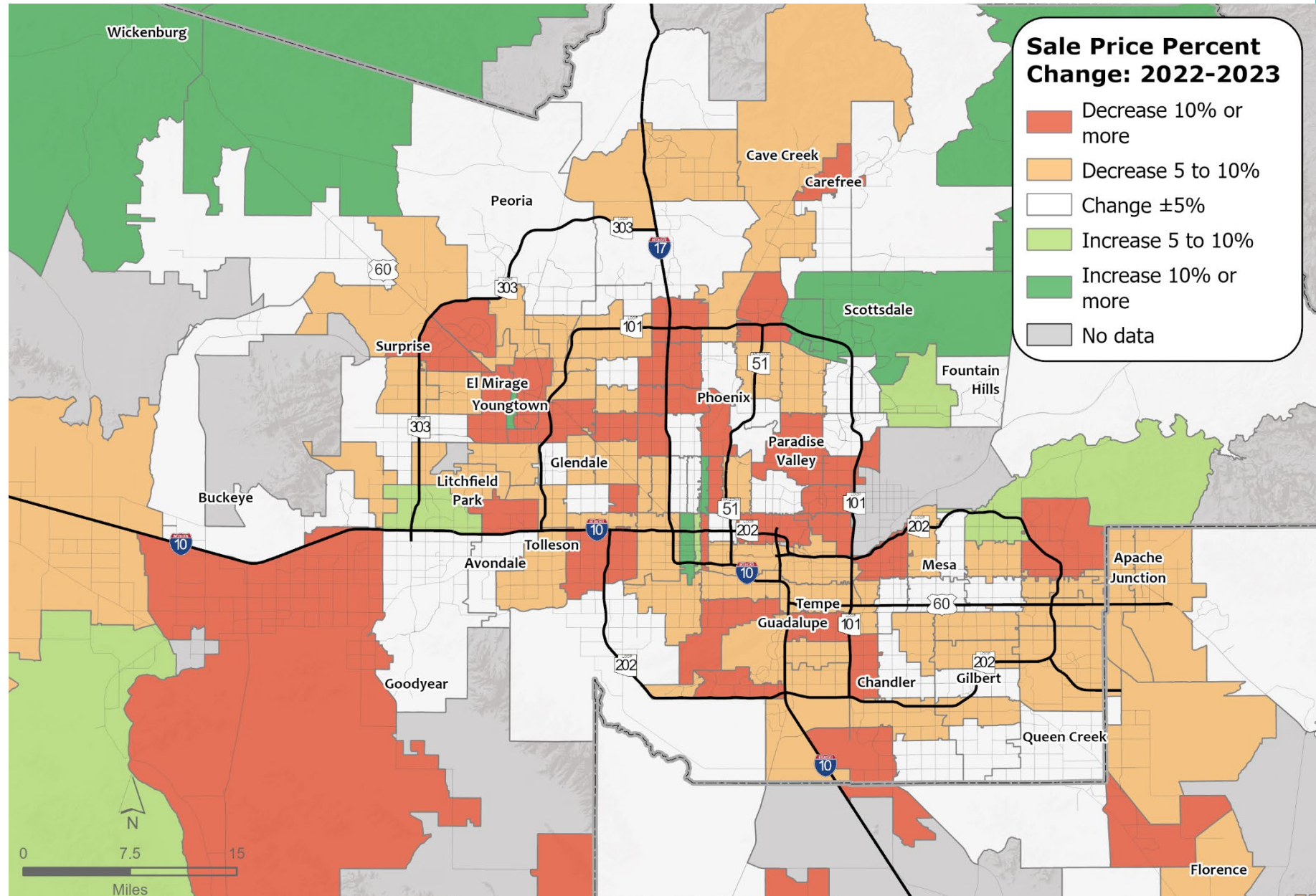


Source: Arizona Regional Multiple Listing Service, September 2023



Median Sale Price Percent Change, 2022-2023

- ▶ 42 ZIP Codes with decrease of 10% or more

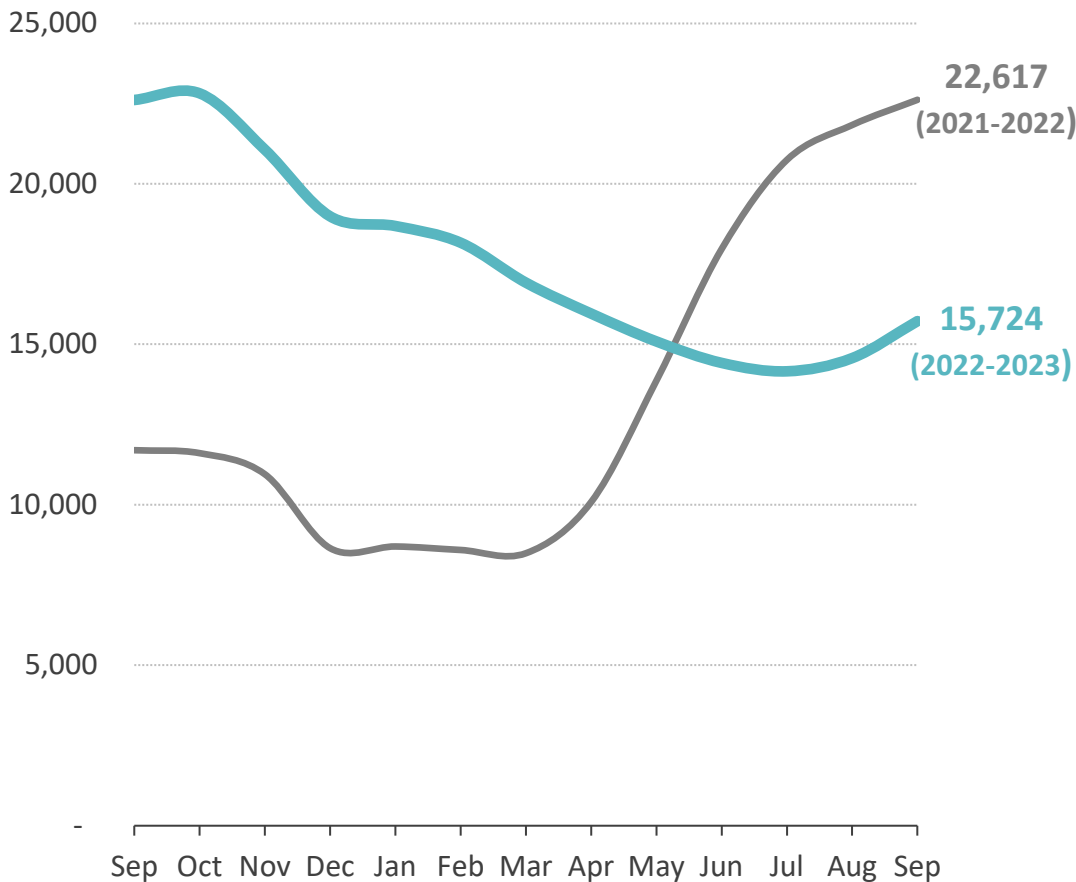


Source: The Information Market

Housing market has changed since the highs of 2022

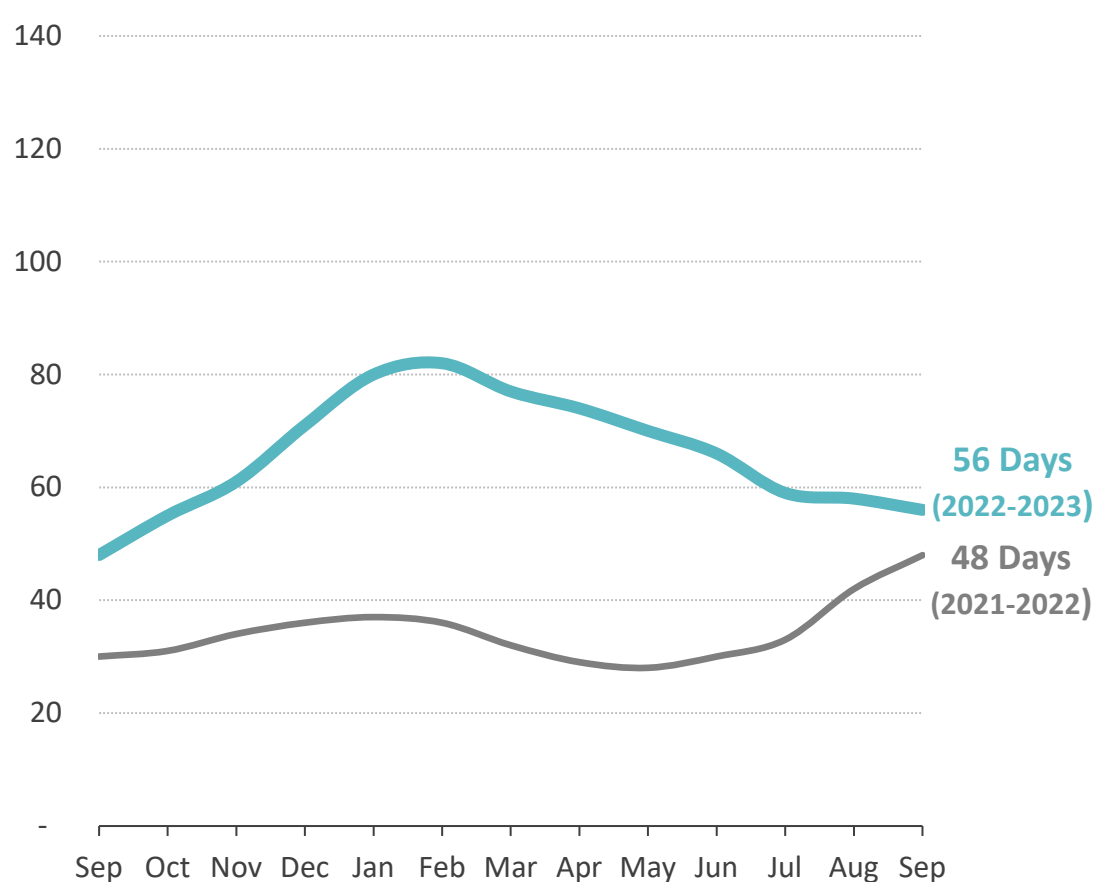
Total inventory is 30% lower than last year

Total Inventory, Monthly Active Units



Average days on market has increased

Average Days on Market

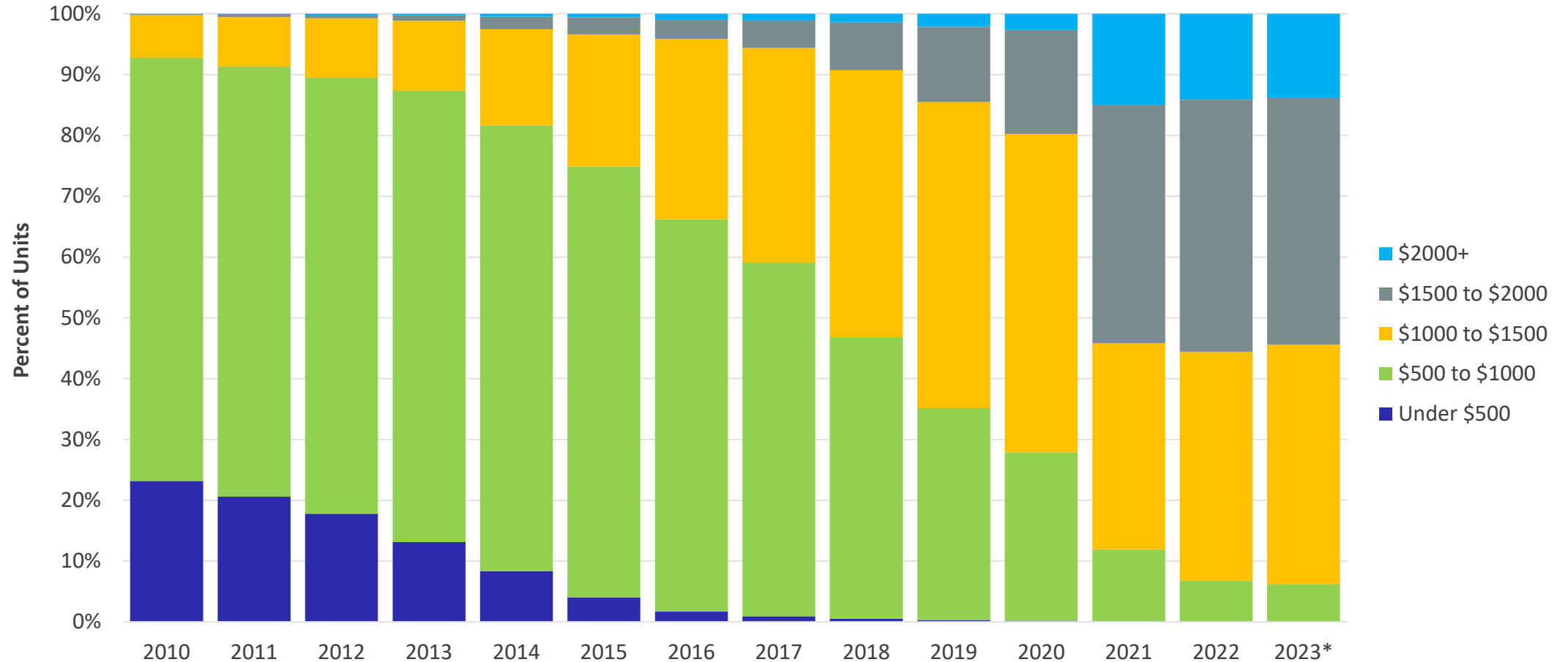


Source: Arizona Regional Multiple Listing Service, September 2023



In the Phoenix MSA, availability of apartment units with rent under \$1,000 has decreased by more than 86 percentage points since 2010

Apartment Rent, 2010-2023

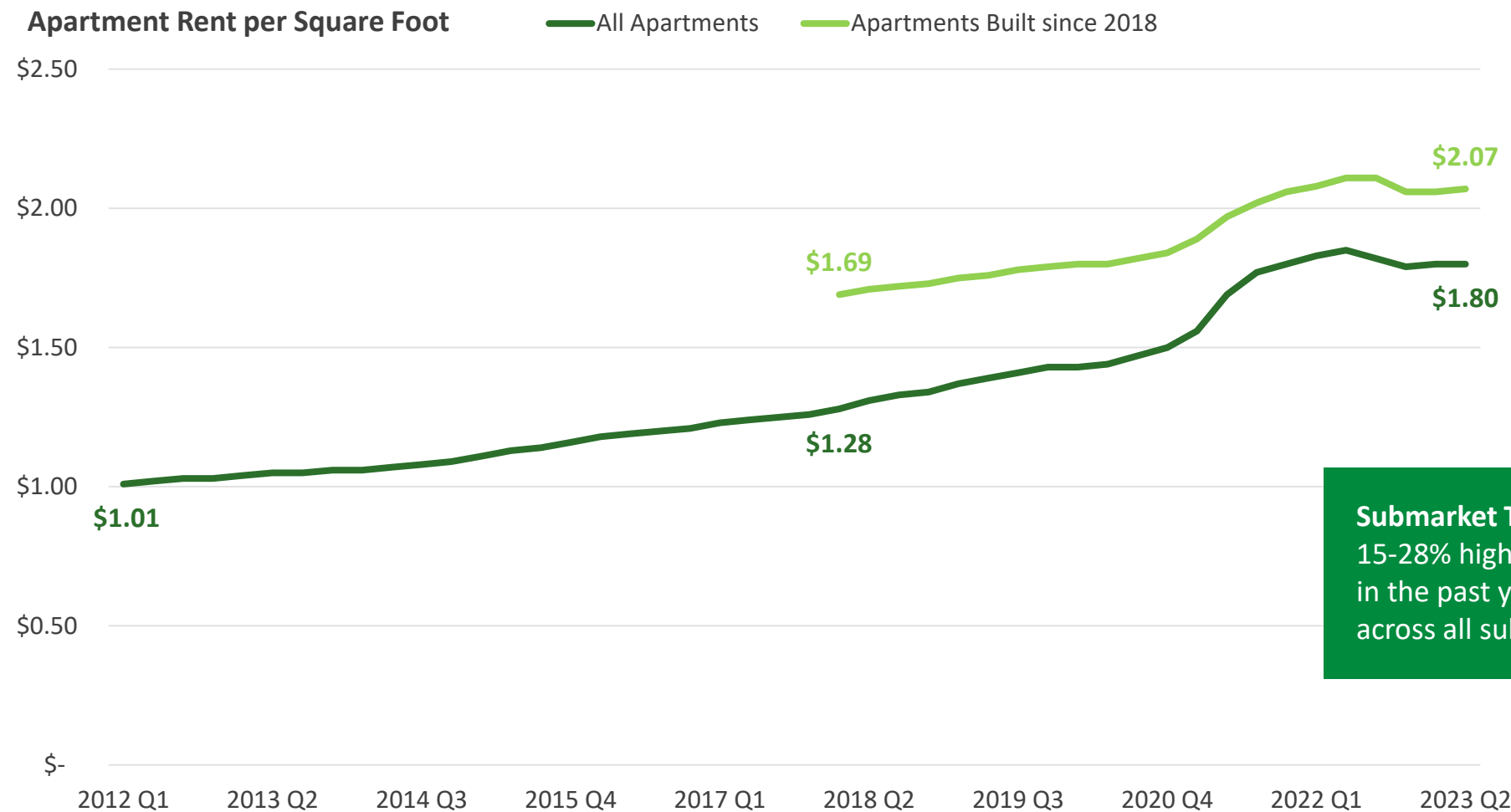


Source: RealData, Inc.

Adjusted for inflation, *2023 data through Q2 only



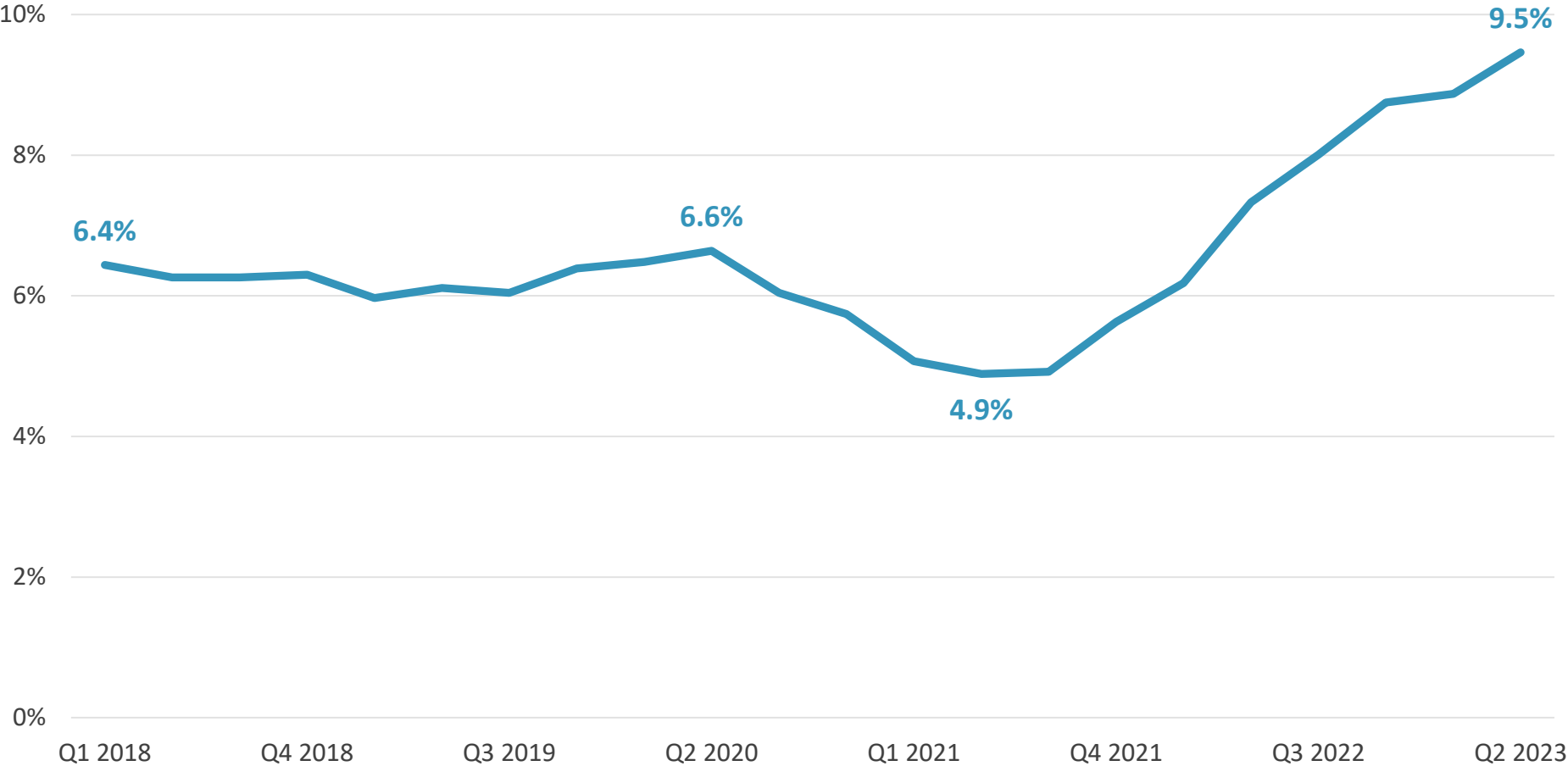
Newly-built apartment rent is 15% higher



Source: CoStar



Multifamily vacancy rate has increased to 9.5%



Source: CoStar



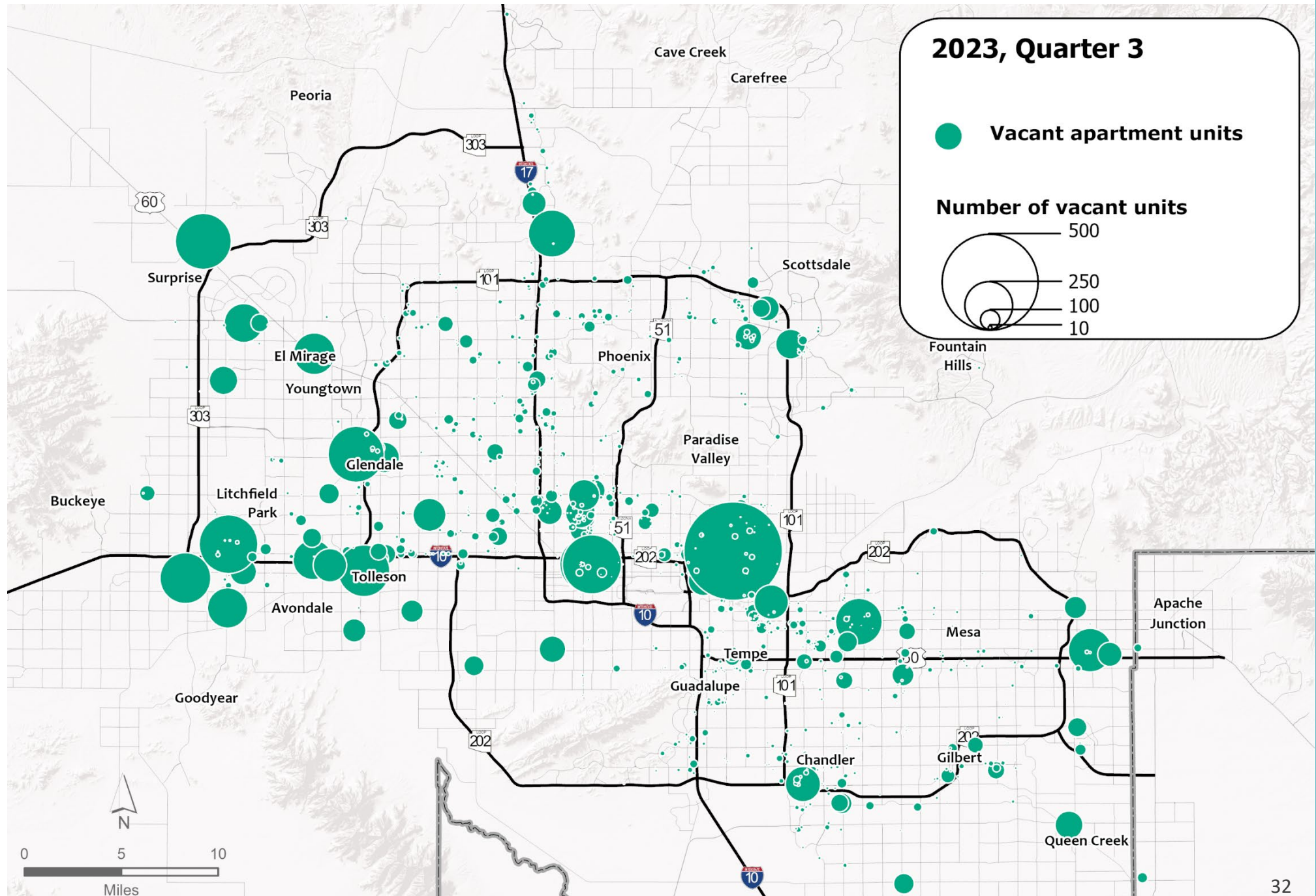


2023 Vacant Apartment Units

33,670 units are
vacant

*Each circle represents
an apartment complex*

Source: RealData, Inc



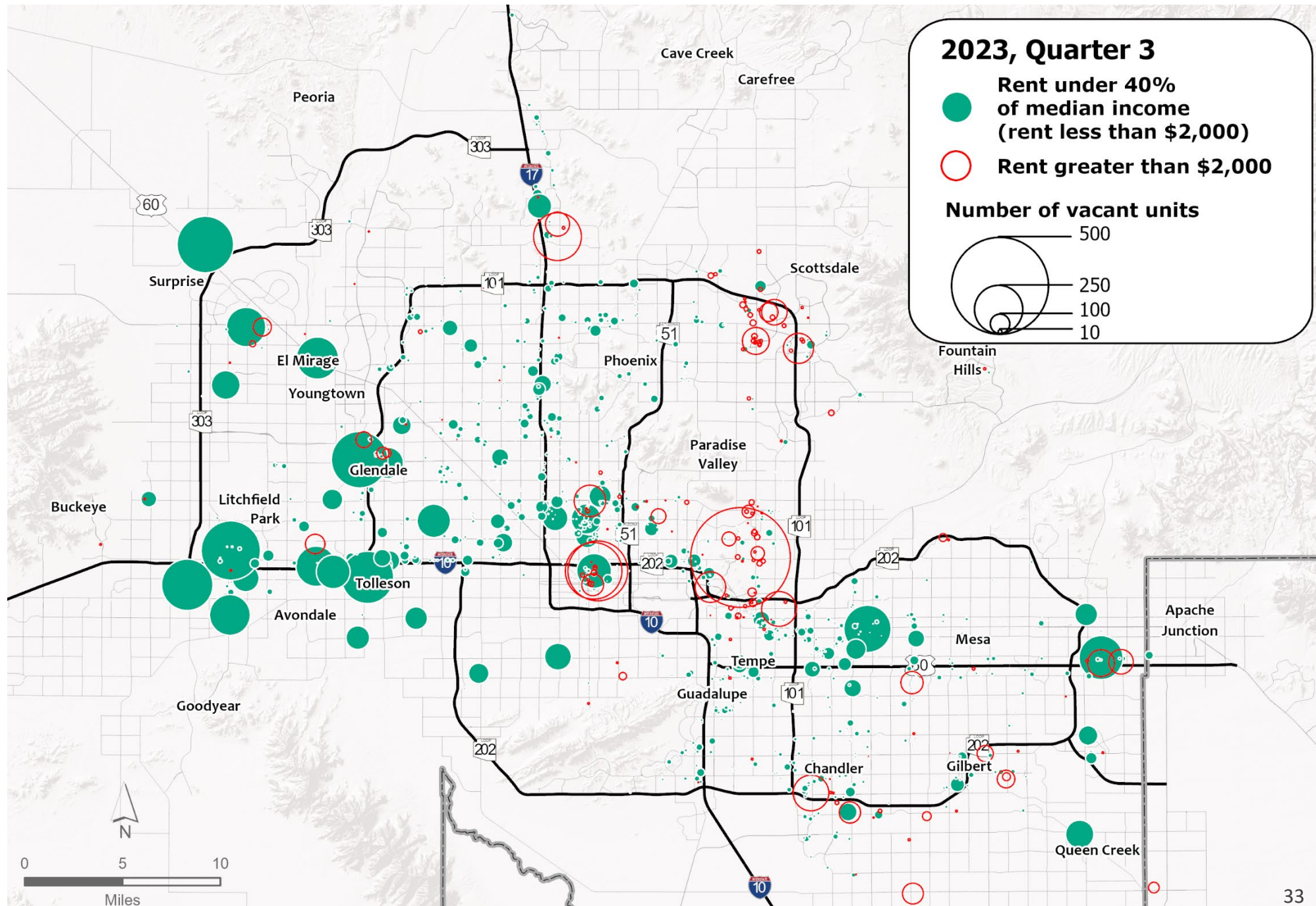


2023 Vacant Apartment Units

27,140 units with
rent under 40% of
median renter
income

*Each circle represents
an apartment complex*

Source: RealData, Inc



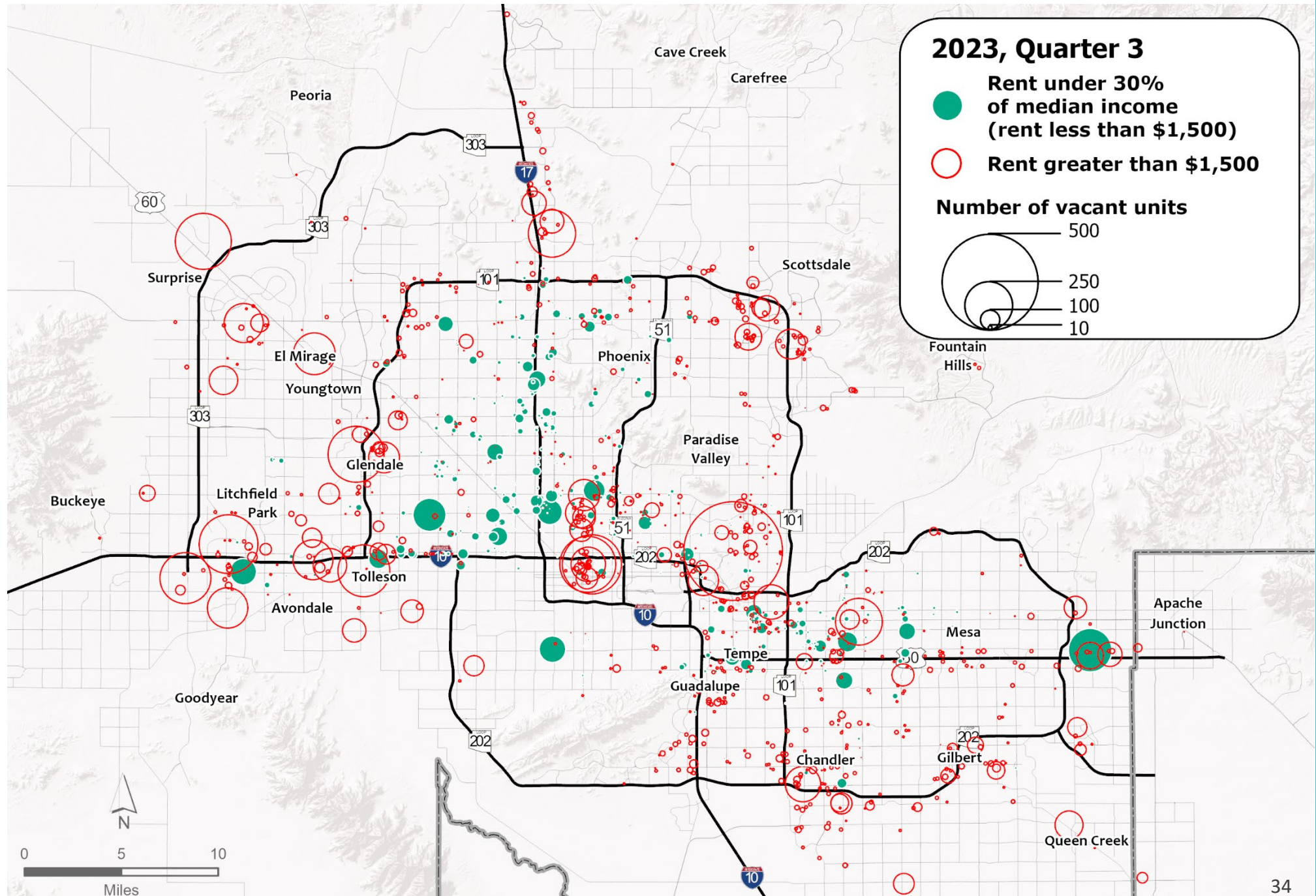


2023 Vacant Apartment Units

11,500 units with
rent under 30% of
median renter
income

*Each circle represents
an apartment complex*

Source: RealData, Inc



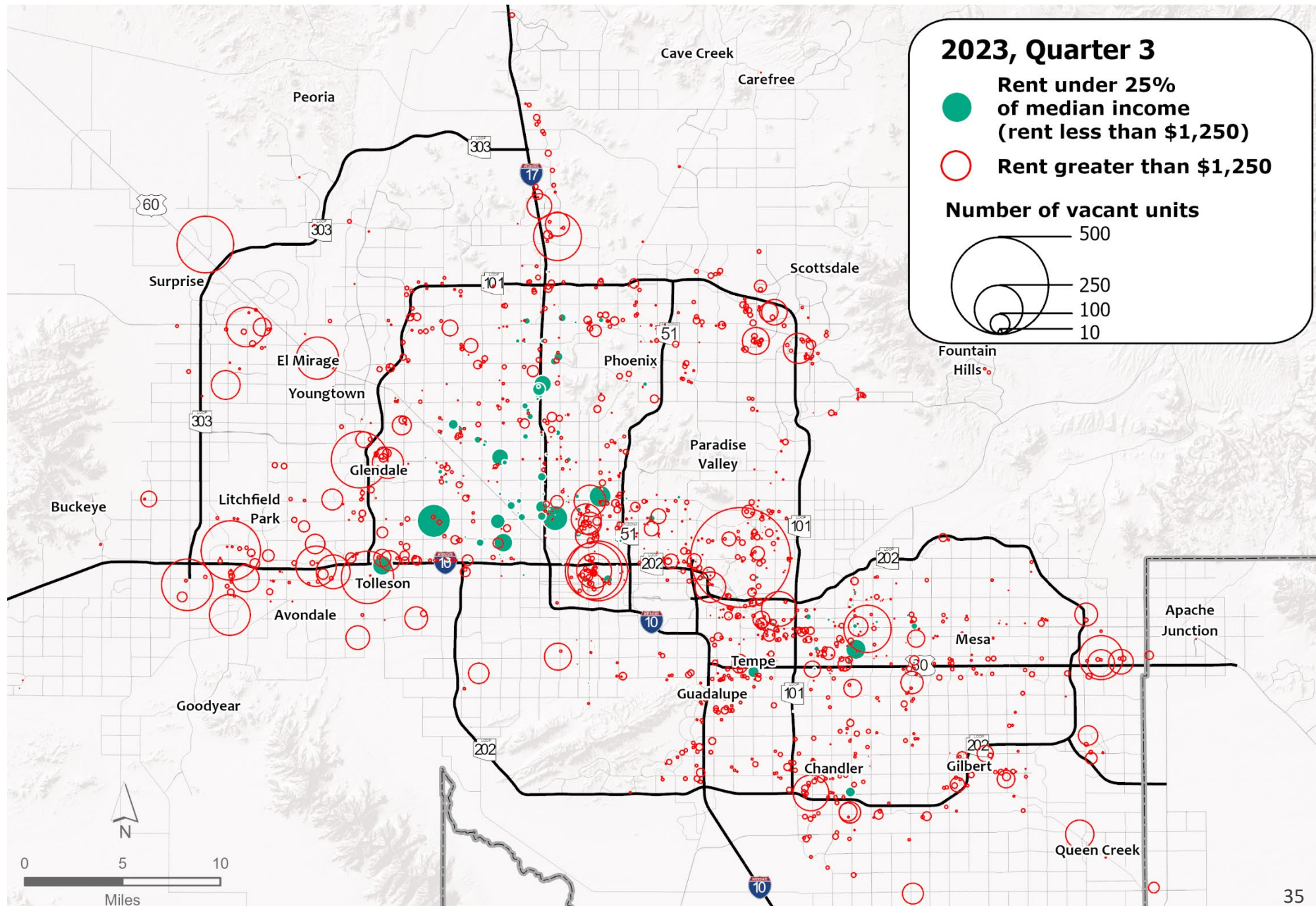


2023 Vacant Apartment Units

4,750 units with
rent under 25% of
median renter
income

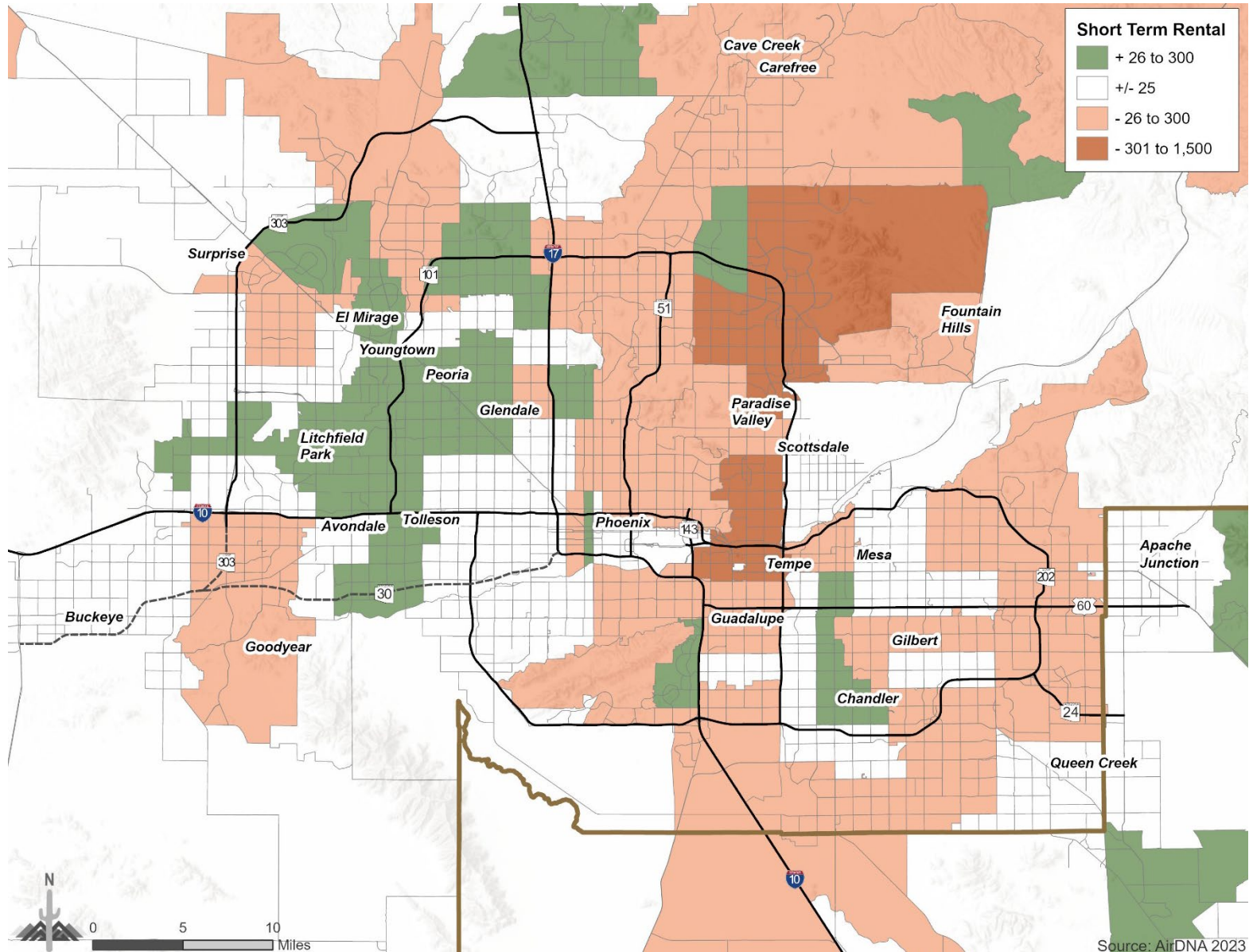
*Each circle represents
an apartment complex*

Source: RealData, Inc



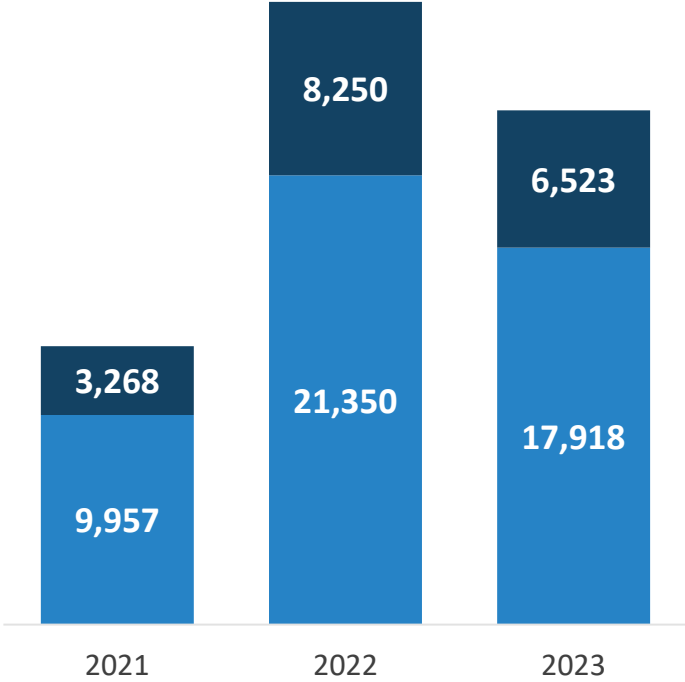
17% Reduction of active short-term rentals in Phoenix MSA

Short Term Rental Change 2022-2023 (All)



Short Term Rental

■ Sometimes 25-75% ■ Most of the time 75%+



Sales to institutional buyers in the Phoenix MSA dropped since last year

Percent of Sales to Institutional Buyers (Corporate Buyers like OpenDoor, OfferPad, Redfin, etc.)

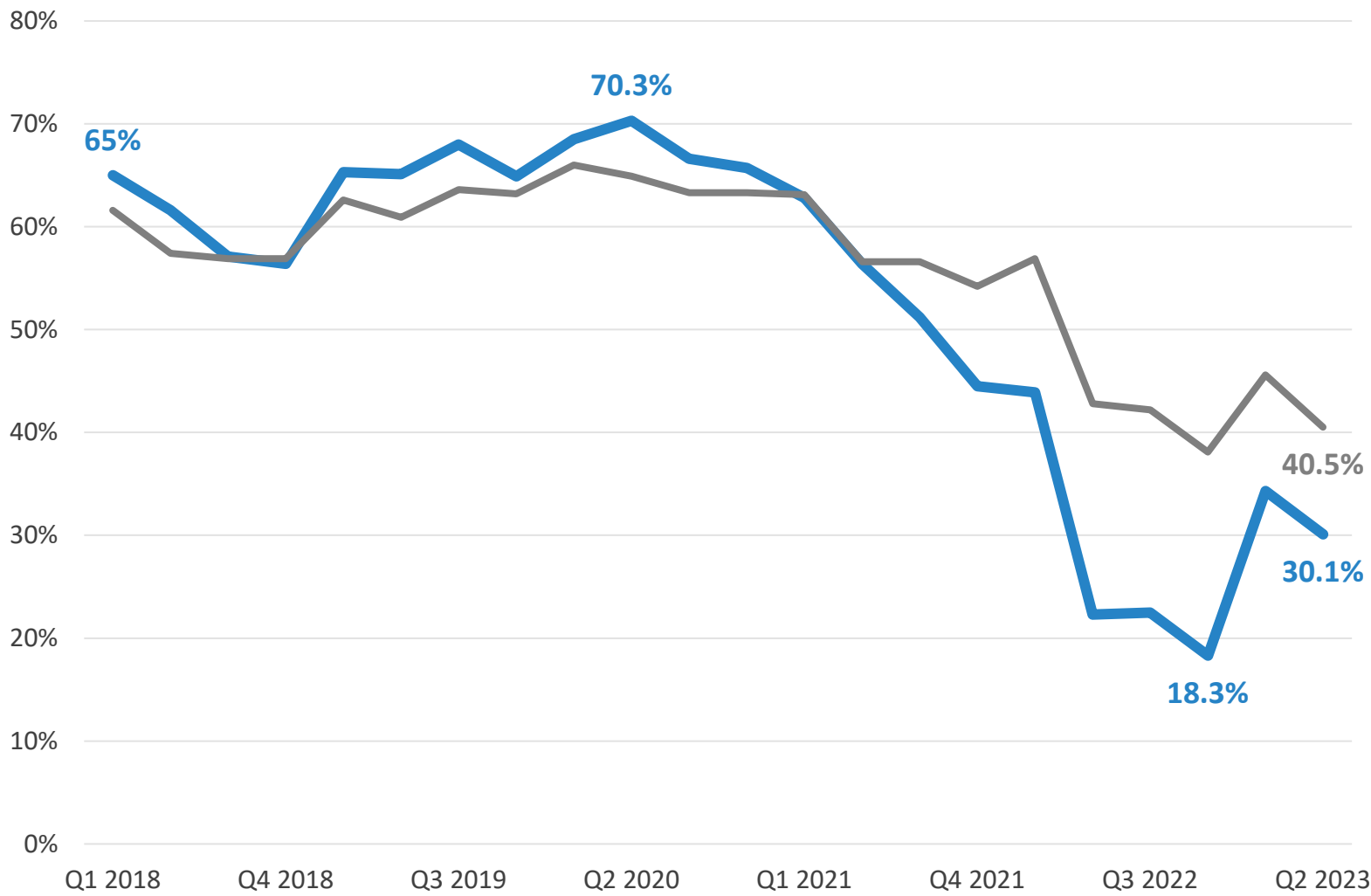


Source: The Information Market



Phoenix MSA is less affordable than the United States

Share of homes sold that are affordable at median household income



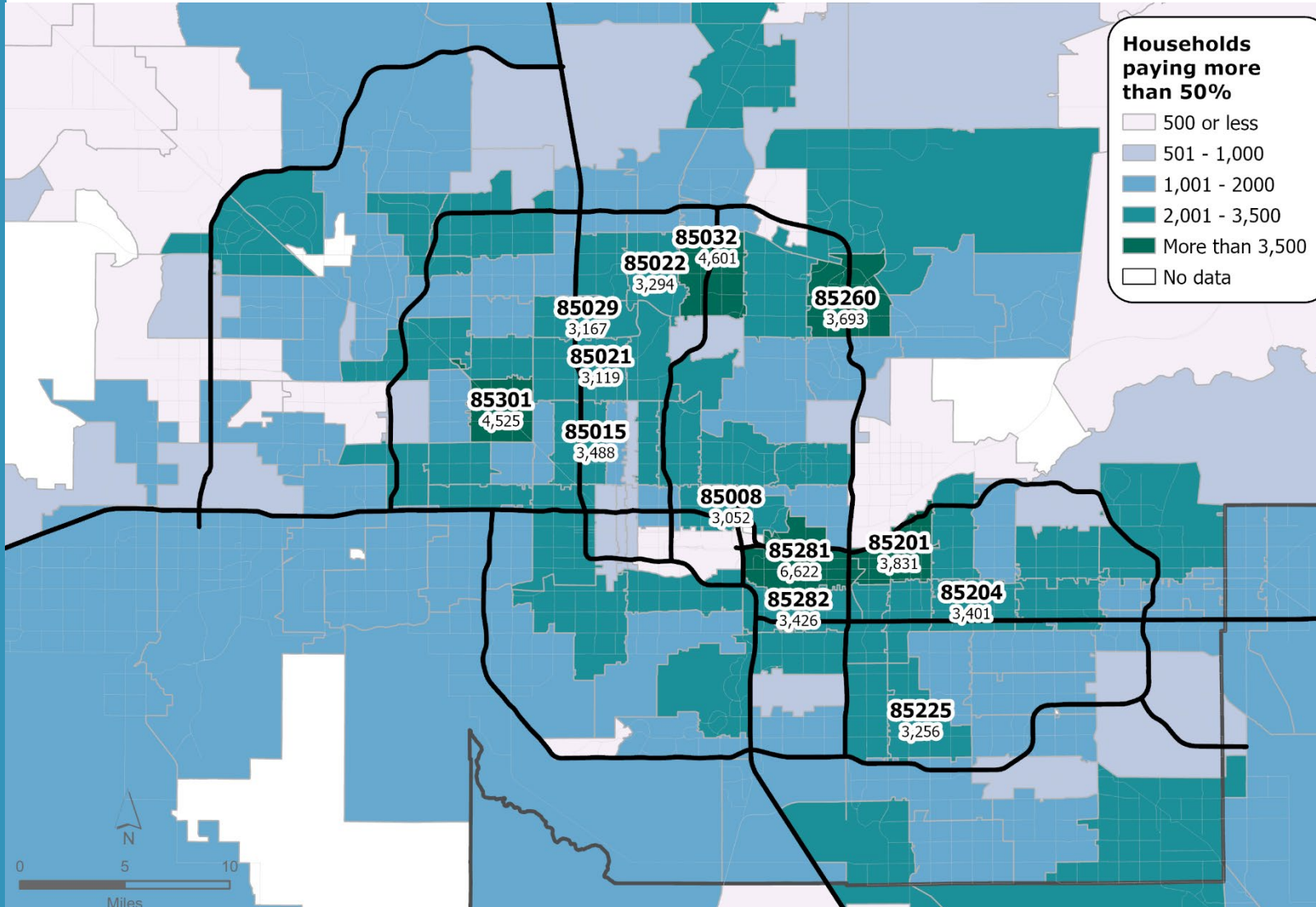
Source: National Association of Realtors/Wells Fargo Housing Opportunity Index

Comparison to Peer Metros

Metro Area	Q2 2023
National	40.5%
Houston	40.4%
Phoenix	30.1%
Denver	26.3%
Salt Lake	21.3%
San Diego	6.3%



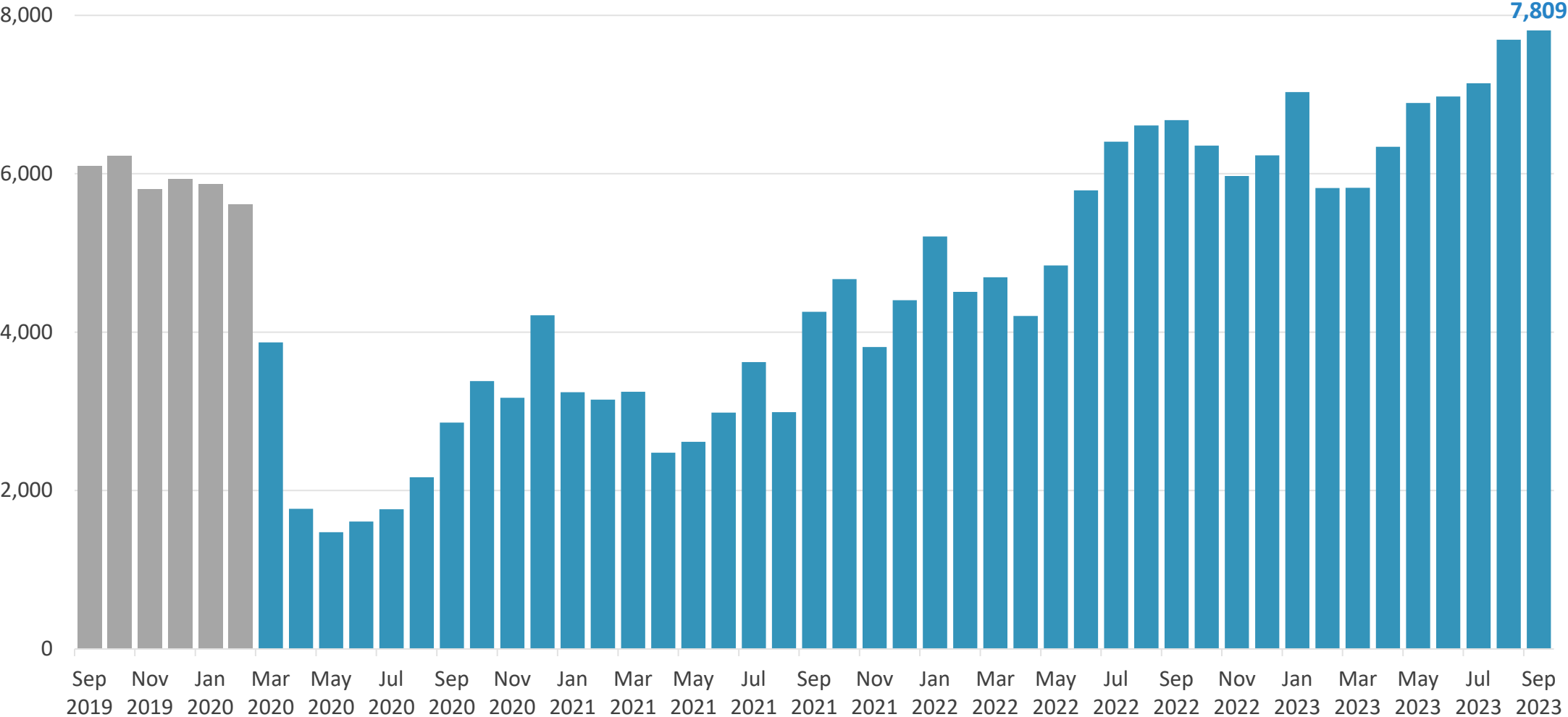
256,000 Severely cost-burdened households in the Phoenix MSA



- ▶ **Severely cost-burdened** households spend 50% or more of their income on housing
- ▶ **15% of households in the Phoenix MSA** are severely cost-burdened
- ▶ **14% of households nationwide** are severely cost-burdened

27% of multifamily renter households are severely cost-burdened

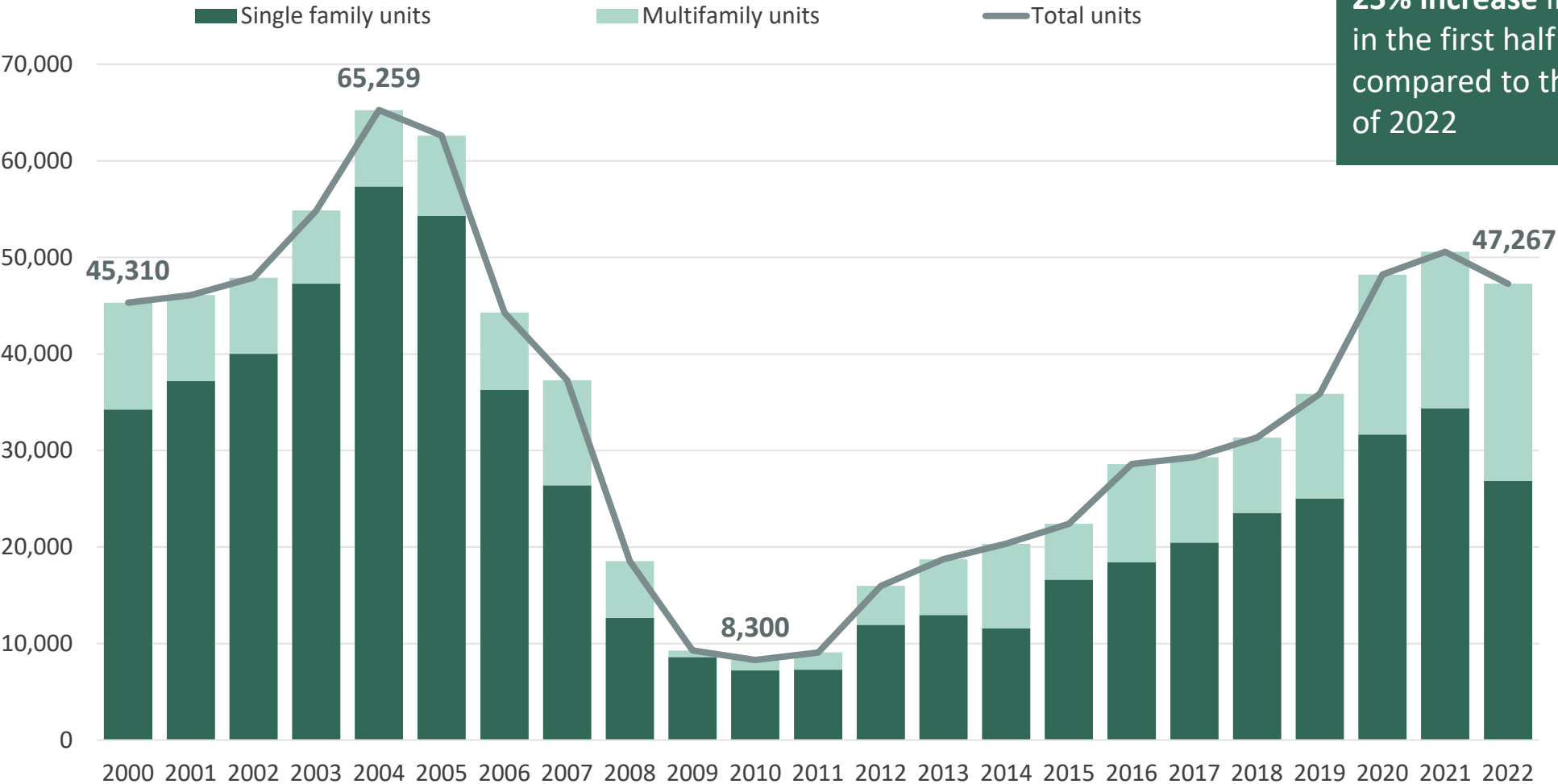
Maricopa County monthly eviction filings have surpassed pre-pandemic levels



Source: Maricopa County Justice Courts



Phoenix MSA saw a significant increase in number of residential permits since 2010



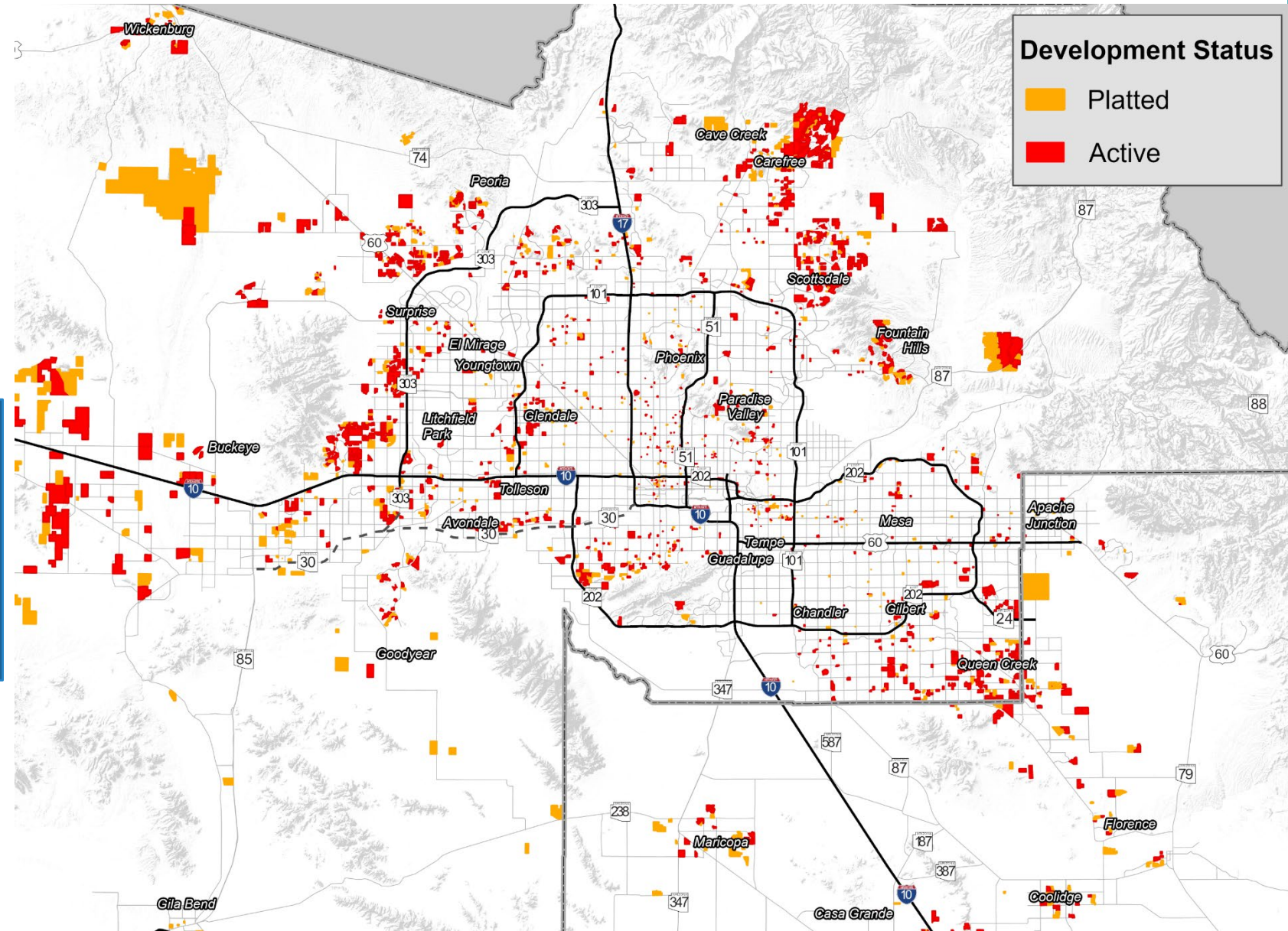
Source: U.S. Census Bureau, Building Permits Survey



Housing Development Pipeline

*Active and Platted Units, 2023 YTD
Phoenix MSA*

- ▶ **275,000** housing units are in the pipeline
- ▶ **178,000** housing units in **Active Projects**
- ▶ **106,000** units in the active projects remain **unbuilt** – nearly **3 years'** worth of units
- ▶ Additional **97,000** housing units are in projects that have not started yet



Source: Maricopa Association of Governments,
September 2023



Housing Development Pipeline

Phoenix MSA

Pipeline	2021	2023 YTD
Total Pipeline	239,000	275,000
Platted Not Started	63,400	97,000
Unbuilt Units in Active Developments	119,300	106,000

Source: Maricopa Association of Governments, September 2023



Takeaways

Economy

- ▶ Robust economic growth – diversifying economy
- ▶ Inflation stabilized but higher in select segments
- ▶ Increasing cost of living could impact attractiveness

Housing

- ▶ Housing completions back at 2007 level
- ▶ Increased residential permit activity
- ▶ Decrease in sales price
- ▶ Increase in vacancy rate
- ▶ Affordability easing in some submarkets

Real Estate

- ▶ Investor activity low in housing transactions
- ▶ Fewer short-term rentals could open housing to permanent residents
- ▶ 15% increase in approved residential pipeline

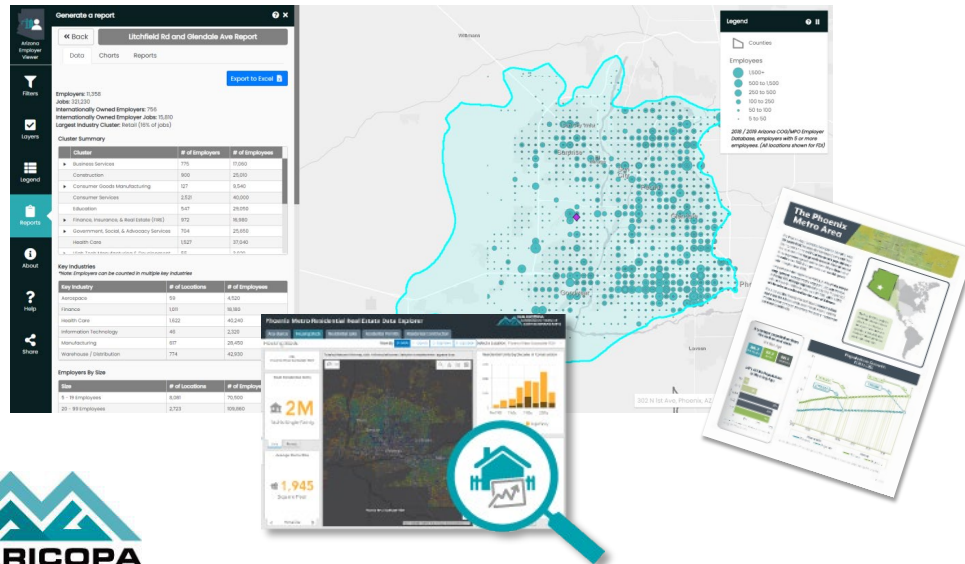


Explore more data!

Housing Data Explorer

- ▶ Regional trends in housing and affordability
- ▶ “Housing Update” tab with key highlights
- ▶ Sales and rent data through Q2 2023
- ▶ More to come!

azmag.gov/Housing-Data-Explorer



maps.azmag.gov

data.azmag.gov

azmag.gov/Census

azmag.gov/RADigest

Anubhav Bagley

Regional Analytics Director

abagley@azmag.gov

602-254-6300

Agenda Item 9

FREEWAY LIFE CYCLE PROGRAM UPDATE: FEDERAL FUNDING REDISTRIBUTION

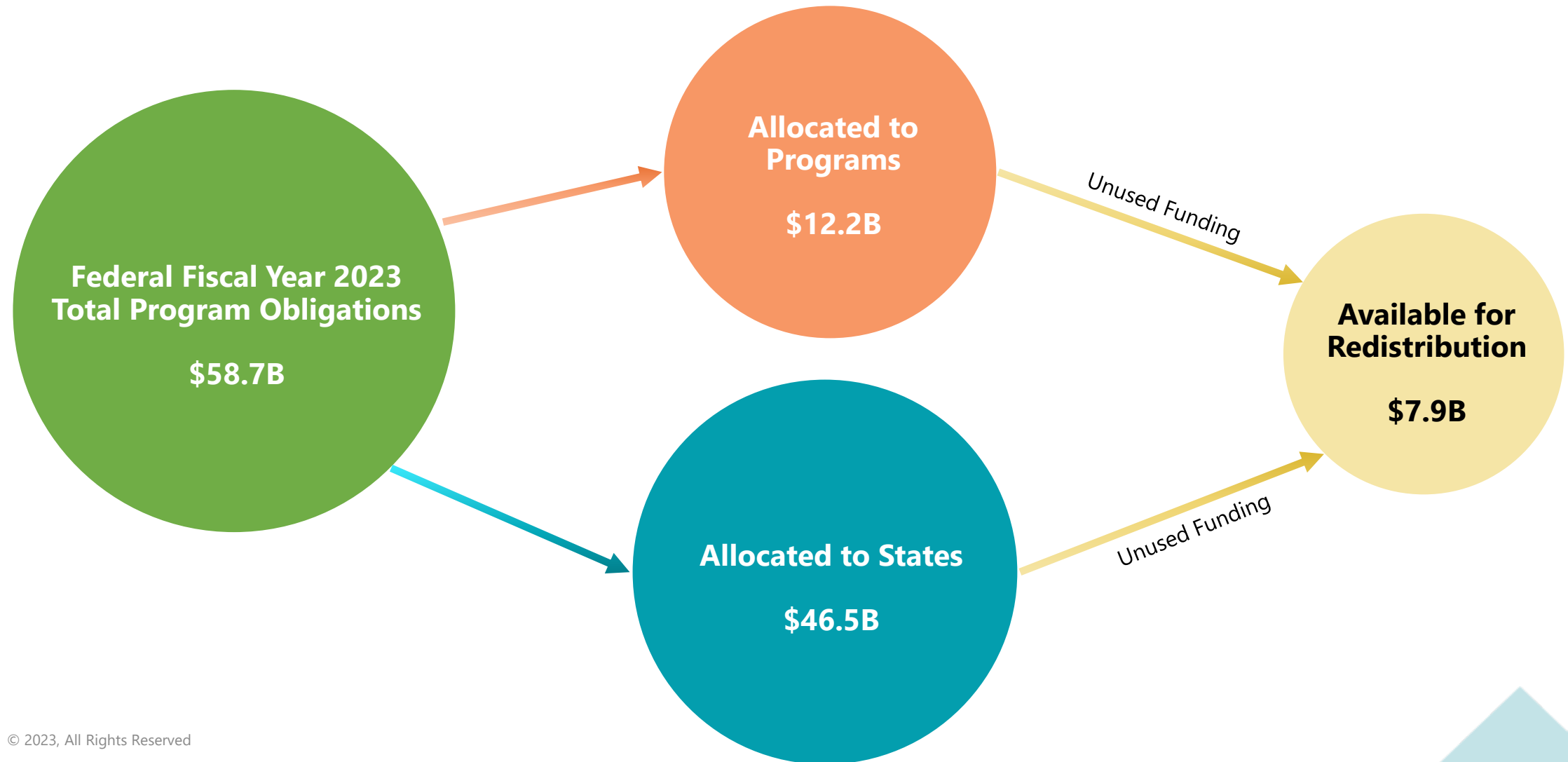
Regional Council
October 25, 2023



OVERVIEW

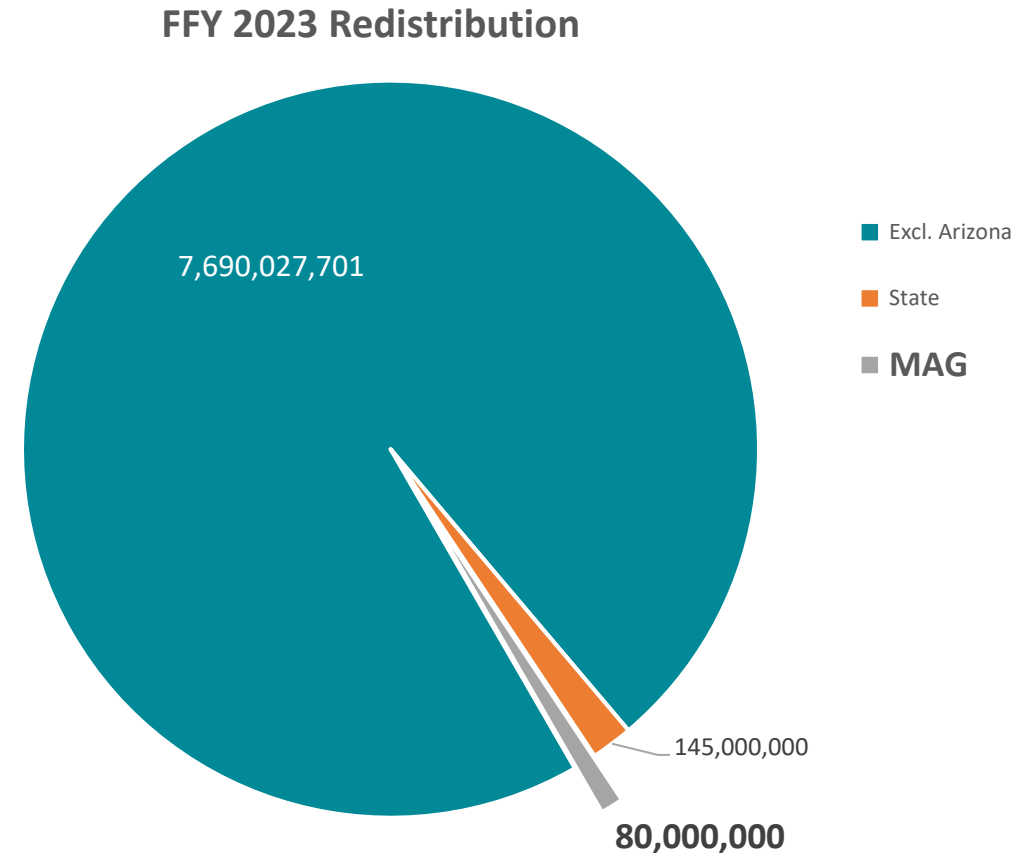
- ▶ Federal Funding and August Redistribution
- ▶ Recommendations
- ▶ SR 24 and SR 30
- ▶ Action Requested

FEDERAL HIGHWAY FUNDING



AUGUST REDISTRIBUTION

- ▶ Consists of unused federal funding in the current fiscal year that is reallocated to states
- ▶ Federal Fiscal Year (FFY) 2023 August Redistribution pool - \$7.915 billion available nationwide
 - ▶ 28 percent higher than previous fiscal year
 - ▶ Arizona typically receives around 1 percent of pool, received just under 3 percent for FFY 2023 (\$225 million)
 - ▶ **MAG region received approximately \$80 million in FFY 2023 (1% of national total)**



PROGRAMMING RECOMMENDATIONS

Cost Contingencies

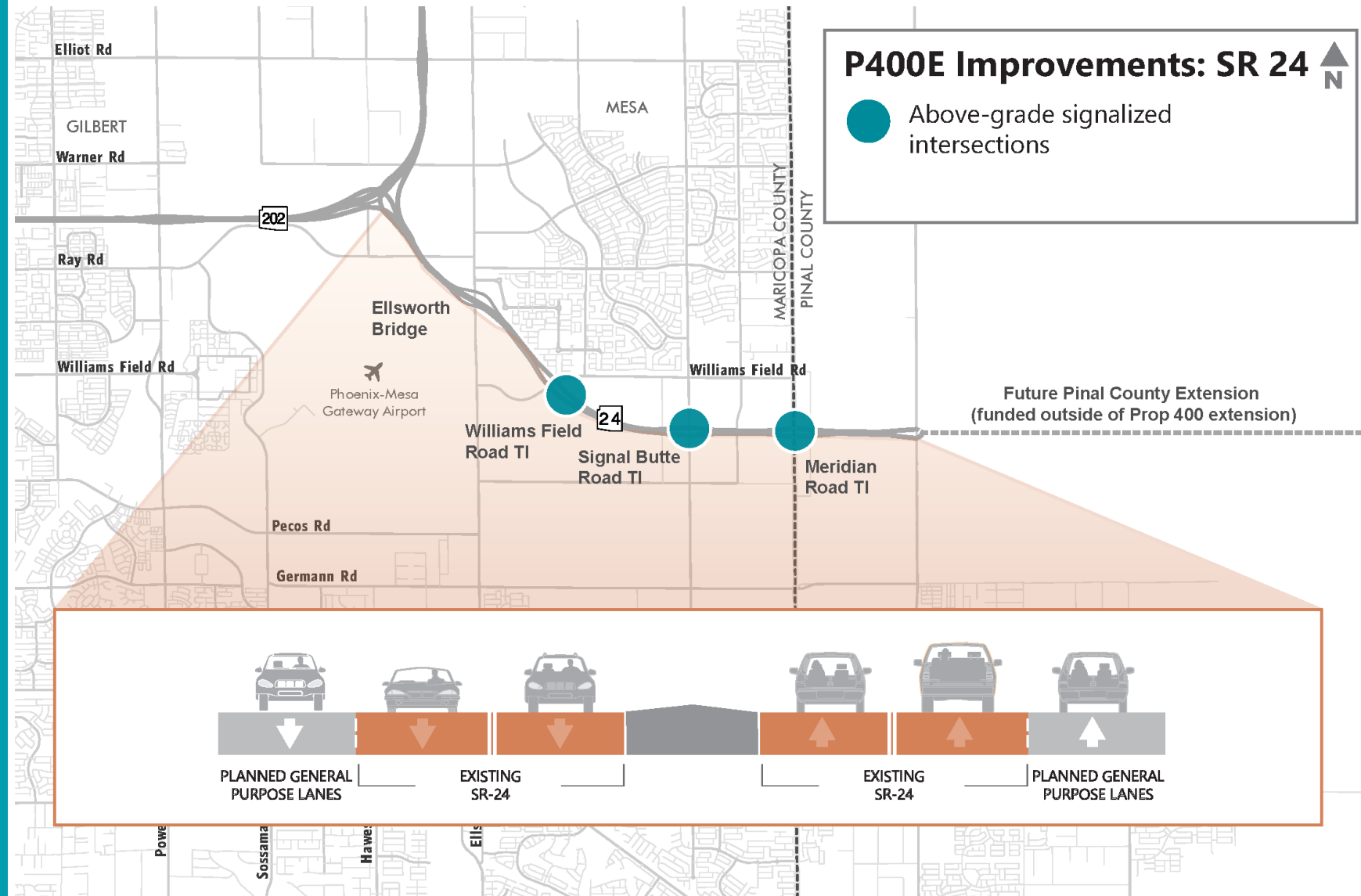
- ▶ Offset project cost escalations due to inflation
- ▶ Ensure programmed projects remain on schedule

SR 24 / SR 30 Final Design

- ▶ SR 24 - Segment between SR 202 (Santan Freeway) and Ironwood Drive
- ▶ SR 30 - Segment between SR 202 (South Mountain) and 67th Avenue

SR 24

Initiate final design for additional General Purpose Lane and grade separated interchanges

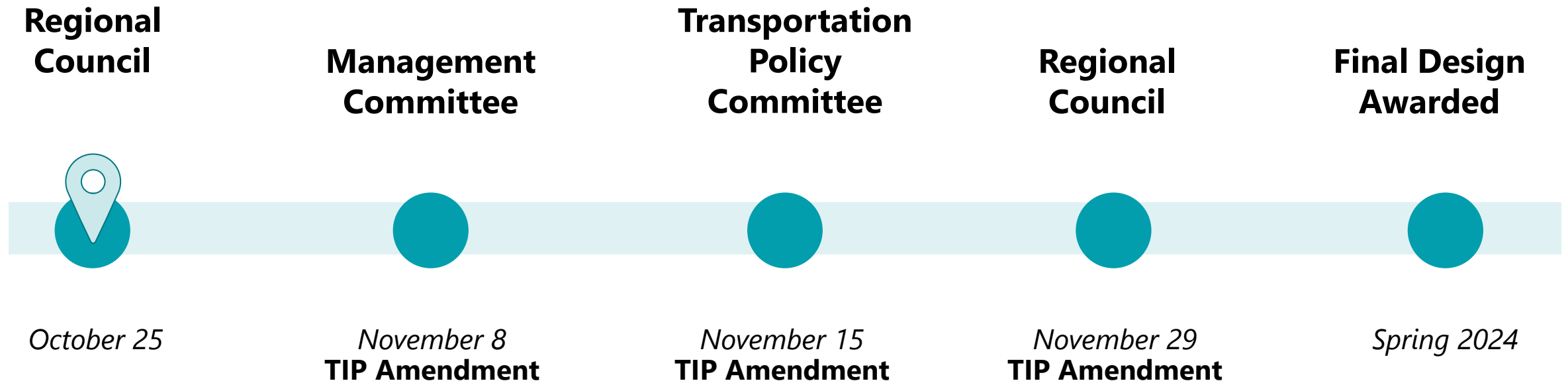


SR 30

Initiate final design for interim facility between SR 202 (South Mountain) and 67th Avenue

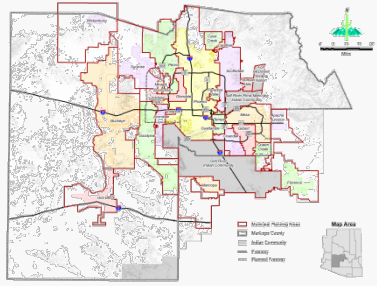


TIMELINE



ACTION REQUESTED

Information and discussion.



Agenda Item 10

Executive Director's Report

October 25, 2023



ADOT



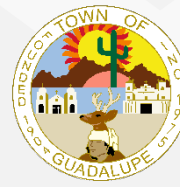
BUCKEYE, AZ



City of
EL MIRAGE
Arizona
GRAND HERITAGE, BRIGHT FUTURE!



gilbert



MARICOPA
COUNTY

mesa·az



City of Phoenix



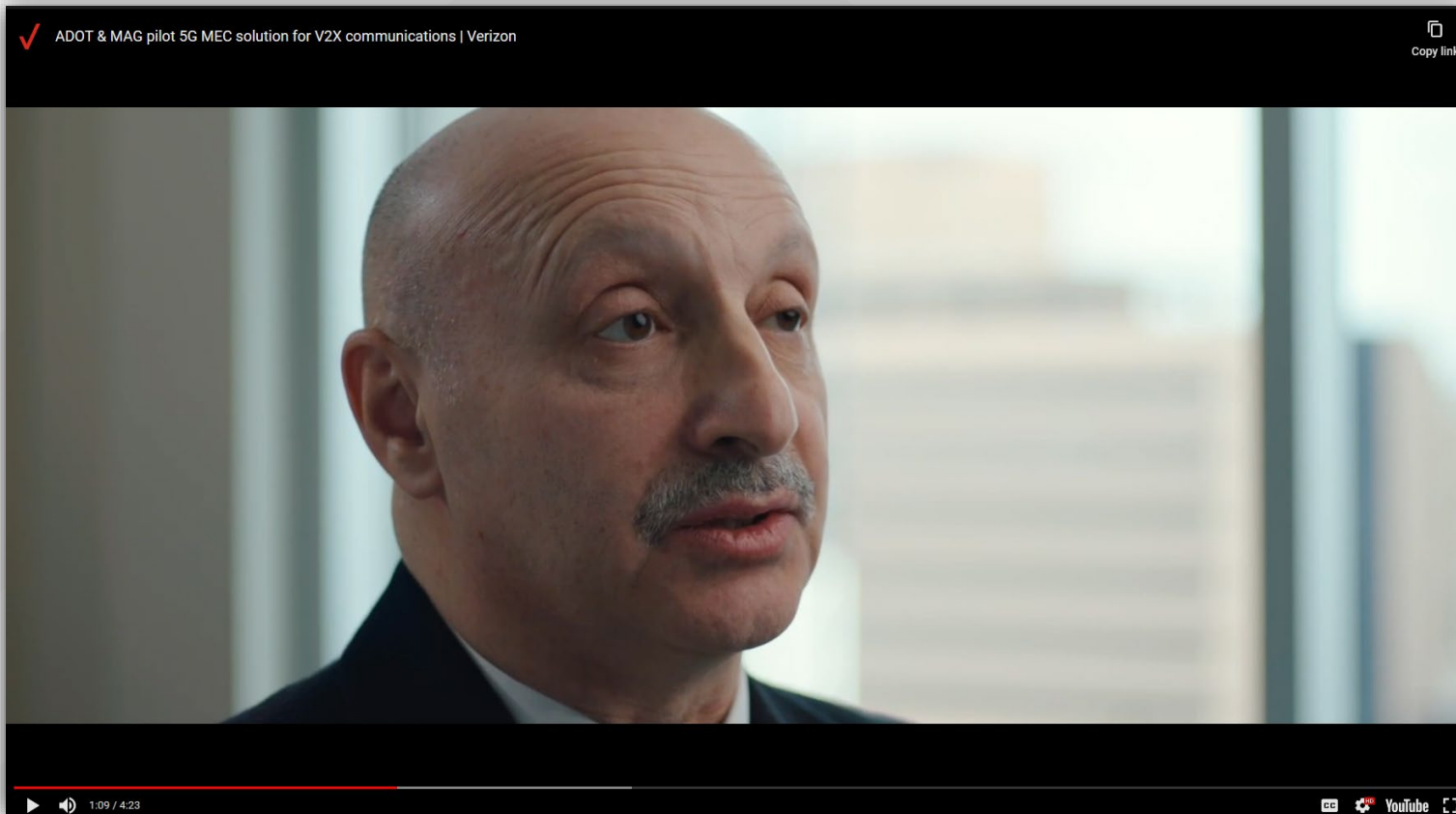
“Arizona Talks” About Affordable Housing



- On Sept. 28, *Arizona Talks* hosted an event with community leaders about making housing more affordable.
- The event featured MAG Deputy Director Amy St. Peter, state legislators, and the Arizona Department of Housing.
- The event was covered in local media, quoting MAG data and staff.
- The goal of the event was to facilitate civil dialogue and identify nonpartisan solutions.



MAG and ADOT Partner with Verizon for a Successful Emerging Technologies Pilot Project



- The pilot tested potentially life-saving alerts, using cost-effective, scalable capabilities.
- The project piloted 5G virtual roadside units and connected vehicle technologies.
- Test vehicle drivers were provided with back-of-queue, curve speed and work zone alerts.
- MAG Transportation Technologies & Services Director Vladimir Livshits was interviewed in the video.

Local Leaders Featured in National Model



- On October 23 and 24, MAG hosted the *2023 Community Partnership Meeting: Arizona Human Services Transportation Summit*.
- The event was co-hosted with the National Aging and Disability Transportation Center with funding from FTA.
- More than 100 public, nonprofit, philanthropic, and transportation experts from AZ attended.
- The Center will showcase this event as a national model in coordinating human services transportation.
- For more information, visit <https://www.agefriendlyaz.org/Conferences>



Age Friendly
— ARIZONA —

Local Leaders Featured in National Model



MAG Livable Communities Award



- **MAG Livable Communities Award** was presented to the cities of **Goodyear, Avondale and Surprise.**
- Given in conjunction with the Clean Air Campaign awards.
- The honor is given to agencies who have made a special effort to improve transit, bicycle or pedestrian facilities that make communities more livable.

WESTMARC “Best of the West” Awards



- **Mayor Kenn Weise** recognized with **Regional Advancement Award** for his tireless leadership in helping get legislative approval for Proposition 400e.
- **Excellence in Innovation Award** was presented to **Surprise, Avondale and Goodyear** for the new WeRIDE microtransit program. The neighborhood on-demand rideshare operates in all three cities.



Agenda Item 11

■ **Legislative Update**

An update will be provided on legislative issues of interest.

■ **Action Requested:**

Information and Discussion.

Agenda Item 12

■ Request for Future Agenda Items

Agenda Item 13

■ Comments from the Council